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ABSTRACT

The primary goal of this study was to develop a handbook containing guidelines needed to pass a bond issue for the construction of new facilities at Cleveland County Technical Institute (North Carolina). Following a literature search, ten presidents of community colleges or technical institutes were interviewed, and the resulting handbook was evaluated by four presidents and an educational consultant. The handbook, which is appended, presents preplanning and coordination details of a bond campaign, the use of surveys, legal issues, calendars of events and of steps for bond authorization, campaign timetables, financial statements required, and the development of all necessary planning committees. Application forms required by the state of North Carolina are also exhibited. The interview questionnaire and summaries of each presidential interview are also appended. (RT)

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A HANDBOOK FOR THE PRESIDENT AND BOARD OF TRUSTEES AT CLEVELAND COUNTY TECHNICAL INSTITUTE TO SECURE CAPITAL OUTLAY MONEY FOR A BOND ISSUE

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A MAJOR APPLIED RESEARCH PROJECT
PRESENTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR
THE DEGREE OF DOCTOR OF EDUCATION

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Abstract of a Major Applied Research Project presented to Nova University in Partial Fulfillment of the Requirements for the Degree of Doctor of Education

A HANDBOOK TO SECURE CAPITAL OUTLAY MONEY THROUGH A BOND ISSUE FOR CLEVELAND COUNTY TECHNICAL INSTITUTE

by
James B. Petty
June, 1976

The physical plant at Cleveland County Technical Institute is comprised of two new classroom buildings containing 45,000 square feet and six old buildings built and designed in 1850 for the purpose of a County Home for the Aged. Three of the old buildings were used to house farm animals and these buildings were converted into shops for the vocational classes. The new facilities are used for classroom instruction and three shops.

The primary goal of this project was to develop a handbook containing guidelines needed to pass a bond issue in Cleveland County for the purpose of constructing new facilities at Cleveland County Technical Institute. Two bond issues have failed, one in the fall of 1968, and one in the spring of 1970. The money for the new facilities was derived from a one-cent sales tax levy by the Cleveland County Commissioners and by a $500,000 appropriation by the state legislature.

At the present time no money is available for the construction of new facilities at Cleveland County Technical Institute from the county commissioners. The only alternative is to seek local funds through a bond issue. These funds would then be matched with state money which

will be used to construct additional permanent facilities at Cleveland County Technical Institute. These facilities would eliminate the use of temporary classroom space currently used on campus and in other areas of the county.

The Cleveland County Technical Institute Board of Trustees has agreed that the "open door" concept may have to be abandoned if new facilities are not provided soon.

Ten presidents of community colleges or technical institutes in North Carolina have been interviewed in developing the handbook. A search of relevant literature was made and information gained was used in evaluating the experiences of presidents and trustees in other states and the experiences of presidents in North Carolina.

The handbook was evaluated by four president in the North Carolina Community College System and a community college consultant from a North Carolina higher education institution.

The handbook is now being used by the Board of Trustees, staff, and students at Cleveland County Technical Institute in planning a four million dollar bond issue to be offered to the people in Cleveland County in the fall of 1976. Hopefully, the handbook will be helpful in planning a successful bond issue. The interviews with the ten presidents have also been a rewarding experience in the developing of this product. Their experiences will be of tremendous value in developing a plan of action for the fall bond issue for Cleveland County Technical Institute.

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Chapter I

INTRODUCTION

THE COMMUNITY COLLEGE SYSTEM

The history of the community college system in North Carolina dates back to 1952 when Allan S. Hurlburt made a study concerning the needs for community colleges in North Carolina. In 1957, the North Carolina Legislature passed the Community College Act. This act brought the community colleges under the North Carolina Board of Higher Education. At this time, the North Carolina Board of Higher Education considered the community colleges to be feeder schools to the universities. As a result the group of people that the community colleges were intended to serve remained neglected. Paralleling this movement was the development of the industrial education center units which served under the State Board of Education. These institutions were to serve industry in a strictly industrial field. But there still remained a gap that needed to be filled and so the comprehensive community college came into existence. Not until 1963 was a comprehensive community college system approved dealing with the college parallel work, vocational and technical training, and general adult training.

There is today in North Carolina a comprehensive community college system which is designed with the philosophy of the "open door" institution.

> The only valid philosophy for North Carolina is the philosophy of total education; a belief in the incomparable worth of all human beings, whose claims upon the state are equal before the law and equal before the bar of public opinion; whose talents, (however great or however limited or however different from the traditional) the state needs and must develop to the fullest possible degree. This is why the doors to the institution in North Carolina's system of Community Colleges must never be closed to anyone of suitable age who can learn what they teach. We must take the people where they are and carry them as far as they can go within the assigned function of the system. If they cannot read, then we will simply teach them to read and make them proud of their achievement. If they did not finish high school, but have a mind to do it, then we will offer them a high school education at a time and in a place convenient to them and at a price within their reach. If their talent is technical or vocational, then we will simply offer them instruction, whatever the field, however complex or however simple, that will provide them with the knowledge and the skill they can sell in the marketplaces of our state, and thereby contribute to its scientific and industrial growth. If their needs are in the great tradition of liberal education, then we will simply provide them the instruction, extending through two years of standard college work, which will enable them to go on to the university or to the senior college and on into life in numbers unheard of in North Carolina. If their needs are for cultural advancement, intellectual growth or civic understanding, then we will simply make available to them the wisdom of the ages and the enlightment of our times and help them to maturity.[1]

In 1825, Maryland was probably the first state to pass a law assessing an ad valorem property tax for a school building. This law was so unpopular that it was repealed three years later. South Carolina was successful in passing, but not enforcing, a similar law in 1852. Minnesota tried in 1859; Delaware followed in 1861. In most of these and other institutions, the intent was there but the money seldom showed up in a quantity large enough to be effective. In fact, there was little popular support behind these legislative actions. For example, in 1885 the new territory of New Mexico, in one of its early legislative sessions, passed a school support bill which was so unpopular that a referendum was forced. The vote against the tax was 5,053 to 37. A haphazard income from state lands, gifts, rate bills, and fickle property tax levies became the accepted method of providing school building costs. This procedure was popular with school officials, but financial writers worked hard against it. After World War I, leaders in educational finance stopped pushing pay-as-you-go and began recommending debt-through-bonding for construction. Today all states have laws covering the issuance of general obligation bonds for construction. The issuance of bonds in the twentieth century has been tremendous compared with those sold before 1900 when it was an exceptional year if all school bonds sold totaled more than a million dollars. Since that time, bonding has fluctuated and generally increased to 2.5 billion dollars by 1957-58.[2]

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[1] Dallas Herring, Chairman, North Carolina State Board of Education, State Board of Education Policy Manual, Sub-Chapter 4-B, pp. 4-5.

Background and Significance of the Study

Sufficient information from the available literature on bond issues should be gained to help develop a handbook for use in passing bond issues for community colleges and technical institutes. The purpose for developing this handbook was to pass a bond issue in Cleveland County for Cleveland County Technical Institute. This is a critical time in the history of the institution if it is to provide adequate facilities for the continued growth and development of adult education in Cleveland County. Also, this information could be used in organizing a bond issue for most tax-supported community colleges.

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[2] Emmett Shockley, "Developing Practices Concerning General Obligation School Bonds and Capital Outlay Financing," (paper presented at the annual meeting of the Association of School Business Officials (50th), San Francisco, California, 17-22 October, 1964) p. 3.

In 1965, after obtaining the consent of the Cleveland County Commissioners, the proposal for a unit of Gaston College, (a community institution located in the adjoining county), was established in Shelby, North Carolina, and submitted to the North Carolina Department of Community Colleges for their approval. Cleveland County Technical Institute began operation that same year in rented facilities known as the Porter Brothers' Building, located at 118 North Morgan Street in downtown Shelby.

James B. Petty was selected by Gaston College as the director of Cleveland County Technical Institute on July 11, 1965. He had been serving as the principal of Burns-Polkville High School in Cleveland County prior to assuming this position.

The Cleveland County Technical Institute, operating in a population area of seventy-three thousand people, has offered vocational, technical, and general adult education as a unit of the North Carolina Department of Community Colleges, since 1965. Prior to the 1960's Cleveland County was predominately an agricultural area with cotton as the chief agricultural product. However, the building of two major industries, Pittsburgh Plate Glass and Fiber Industries, Inc., each employing thousands of people, and with the expansion of existing industries in the county, a shift from agricultural to industrial production occurred.

Growth of the institute created the need for more space. The Cleveland County Commissioners had condemned the facilities at the County Home for the Aged as unfit for use to house the old and infirm people in the county. The twenty-five acres and old buildings located in the center of the population of Cleveland County, were given to the Board of Trustees of Cleveland County Technical Institute to be used as the permanent location for the new campus. In July, 1969, classed began in the facilities previously occupied by the County Home for the Aged.

In 1971, Cleveland County Technical Institute took another step forward when it became a member of the Southern Association of Colleges and Schools on a Correspondent Status. In the fall of 1973, this affiliation was changed to that of Candidate for Accreditation.

During the fall quarter of 1975, Cleveland County Technical. Institute reached an enrollment of 2,009 students of which 662 were day students and 1,347 were night students. Employees for the fiscal year ending June 30, 1975, totaled 186. (61 full-time and 125-part-time). Curriculum and adult education enrollment are shown on tables A-1, A-2, and A-3.

TABLE A-1

CURRICULUM HEADCOUNT, 1965 - 1975

Acam. Yr.	Gen. Ed.	Two-Year Tech.	One-Year Voc.	Total Cur.
1965-66			24	24
1966-67			66	66
1967-68		37	93	130
1968-69		48	139	187
1969-70		89	132	221
1970-71		108	158	266
1971-72	25	137	197	359
1972-73	39	169	196	404
1973-74	29	606	204	839
1974-75	43	1,118	215	1,375
1975-76	98	1,318	316	2,009

TABLE A-2

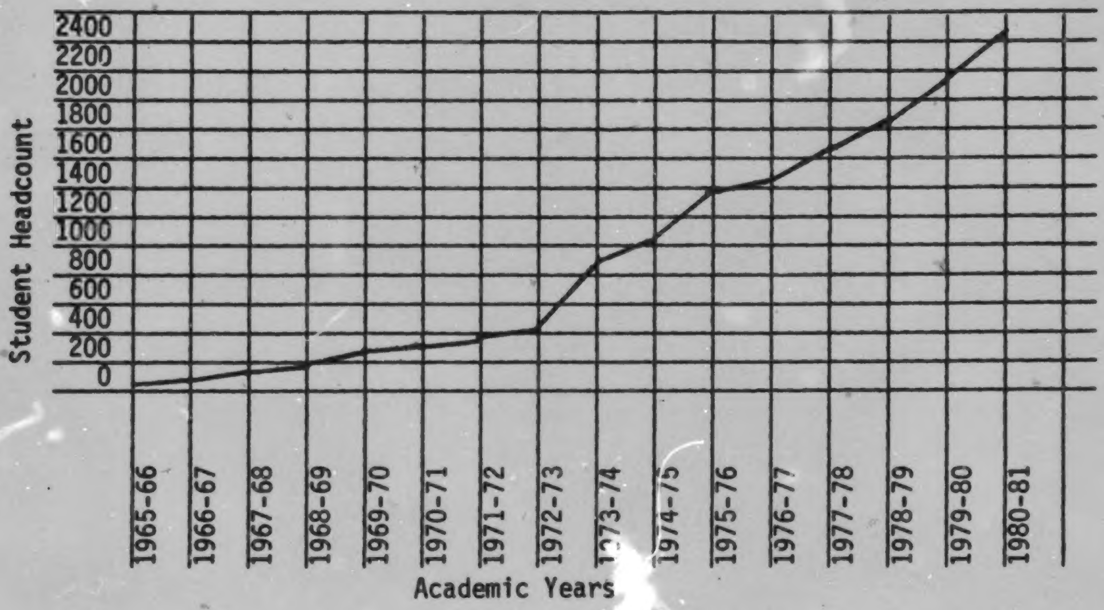
*ENROLLMENT GROWTH - ADULT EDUCATION DIVISION

Acad. Year	Occup. Extension	Adult Extension	Adult Enrichment
1967-68	618	86	964
1968-69	698	201	784
1969-70	1,427	212	1,456
1970-71	1,272	331	1,514
1971-72	1,527	421	1,647
1972-73	1,914	459	2,042
1973-74	4,061	514	1,545
1974-75	4,354	814	2,506
1975-76	4,568	1,476	2,252

* Headcount

TABLE A-3

*ENROLLMENT PROJECTIONS FOR THE FUTURE



*Actual headcount through 1975-76, with years 1976-1981 being projected enrollment.

The Cleveland County Commissioners and the North Carolina State Legislature may appropriate capital outlay money for the community colleges in North Carolina. When this fails, a bond issue is the only means left for Cleveland County Technical Institute to acquire capital outlay money for the local share. The problem in passing a bond issue seems to be selling the need to the people in Cleveland County, The economic condition and a heavy increase in enrollment have left the overcrowded, temporary facilities with no physical space left. The Board of Trustees has decided that the "open door" concept may have to be abandoned if new facilities are not provided soon. Enrollment at Cleveland County Technical Institute is 1,607 full-time equivalent students. The present facilities are designed to accomodate 700 full-time equivalent students. Temporary facilities and mobile units are being used to accomodate the overcrowded conditions. Some type of master plan needs to be developed that will better inform the people of the desperate need for capital outlay money to build additional permanent buildings at Cleveland County Technical Institute.

Odell Associates, Inc., an architectural firm located in Charlotte, North Carolina, has developed a long-range plan for the 37-acre campus. This was done because the Department of Community Colleges in North Carolina and the Southern Association of Colleges and Schools require a ten-year long-range plan to be developed by all 57 institutions in North Carolina. The Board of Trustees at Cleveland County Technical Institute feels that having a long-range plan is a sound way of developing Cleveland County Technical Institute to meet the needs of adults in Cleveland County.

Securing capital outlay funds for Cleveland County Technical

Institute has been a history within itself. An $850,000 bond issue in May, 1969, and an $850,000 bond issue in November, 1970, were defeated by the registered voters in Cleveland County with fewer than fifty percent of the votes supporting the issues.

The Board of Trustees started the initial step for the $850,000 bond issues. Local newspapers published stories and editorials on the needs of Cleveland County Technical Institute. The Cleveland County Commissioners and other authorities within the county were involved only in their official, legal capacity in the early plans to provide the needs of the institution.

After careful planning and coordination, the Cleveland County Commissioners agreed to let the county schools and the technical institute have a bond issue at the same time. Although the issues appeared on separate ballots, the Cleveland County Technical Institute Board of Trustees felt that it was a mistake to have the institute bond issue and the public schools issue on the same date.

The second bond issue was also coupled with a state issue election involving water, sewer, etc. This bond issue was almost a success, failing by only nine votes.

The Board of Trustees felt that the defeats were brought about at least partially by the fact that both the Cleveland County Technical Institute bond issues and the other issues were held on the same dates.

After much maneuvering, political guessing, and encouragement from local citizens and the Cleveland County Technical Institute Board of Trustees, the Cleveland County Commissioners finally levied a one-time, one-cent sales tax in May, 1969, providing $500,000 to match $500,000 the state had offered to give the institution for the first phase of the long-range plan adopted by the Board of Trustees.

In the fall of 1973, after the building program was underway, the Board of Trustees secured another twelve acres of land adjoining the County Home for the Aged site which made a total of about thirty-seven acres of land for the Cleveland County Technical Institute campus. The cost of the additional twelve acres was approximately $90,000.

The Cleveland County Technical Institute Board of Trustees feels that now is the time for them to begin another venture to secure capital outlay funds for additional facilities. This decision was made as a result of the tremendous increase in enrollment and the fact that present facilities have become inadequate.

Scope and Organization

This study was designed to organize a bond issue for Cleveland County Technical Institute. Most of the information will probably be adaptable for all of the 57 institutions (technical institutes and community colleges) in North Carolina with minor changes. The handbook will also be very helpful with any state or institutional bond campaign in other states with allowances for differences in the state laws and timetables as necessary. However, it is recognized that the handbook may only apply to Cleveland County Technical Institute and not to other institutions.

The MARP (Major Applied Research Project) is organized into five chapters. These chapters are as follows:

Chapter I is an introduction to the background and significance of the study. Related tables indicate present enrollments and projected future enrollments. Chapter II is a review of the literature on bond issues held in North Carolina and other states. This review gives an indication of the pattern of bond issues over the past fifty years.

A summary of the interviews held with the ten selected presidents in the North Carolina Community Colleges System is presented as Chapter III. These interviews may be found in Appendix A of the Major Applied Research Project. Chapter IV analyses the data of the interviews and gives a general summary as it relates to the development of the handbook.

Chapter V contains conclusions drawn from the MARP and an evaluation by the following administrators: Joe Mills, President, Gaston College, Dallas, North Carolina; M. H. Branson, President, Randolph Technical Institute, Asheboro, North Carolina; John Price, President, McDowell Technical Institute, Marion, North Carolina; H. E. Beam, President, Caldwell Community College and Technical Institute, Lenoir, North Carolina; and Leland Cooper, Director of Higher Education, Appalachian State University, Boone, North Carolina.

The "Handbook for Conducting Campaign for Bond Elections" is located in the appendix of the Major Applied Research Project as Appendix C.

Chapter II

LITERATURE SEARCH

Bond referendums have often been doomed by public rejection due to "tight money" and frequent defeat of public money issue. This was not so in Boulder, Colorado at last year's election when three leisure-related issues passed by overwhelming margins. In November, 1971, voters went to the polls in record number and passed a library expansion issue for $600,000 with a 71 percent affirmative vote, recreation facilities of $1,600,000 with 74 percent approval, and a bonding proposal for the acquisition of Greenbelt lands amounting to $6,500,000 with 78 percent approval.

Organization of the bond promotion fell into two catergories; first, preparation of materials, and second, mobilization of manpower. In the planning stage, prime consideration was given to the magnitude of their needs and their relationship to financing possibilities. A theme was chosen to promote the three issues for recreational facilities, library, and land: "Space for the 70's."

A massive promotion effort afforded Boulder's 70,000 population ample opportunity to gain an understanding of the issues involved. Boulder Reports, a monthly bulletin published by the city manager, contained a more detailed explanation of the ballot issues and was sent out with 10,000 municipal water billings. Fifteen thousand additional reports were printed and distributed to organizations, major employers, schools, and political candidates. Approximately five hundred copies of the newsletter for city employees also featured the proposals. The League of Women Voters produced 41,500 newsletters stating election issues. The Boulder Valley School District's Newsletter gave good coverage to the three proposals. The three local newspapers carried numerous articles, feature stories, and letters of support printed prior to the election. The newspapers and the local radio station gave editorial support to the issues. In an attempt to neutralize any misinformation which might result in organized opposition, 70 information packets were prepared which included flip charts, site layouts, a complete rundown of the issues, and a question-and-answer sheet. Sixty were reserved for the citizen speakers' bureau while 10 were sent to area news media and to organizations known to have political interests in the election. Low key advertisements were placed in the papers and spot advertisements on the radio the last fifteen days of the campaign. The printing and advertising bill of $5,900 was financed from private contributions.[3]

Some people feel that one vote doesn't mean too much in [illegible] national election but bond issues deal with sensitive issues of taxpayers and their money. In recent years bond issues have frequently shared another characteristic - - defeat. Of course many voters see local elections as the only opportunity to say "no" to increasing taxes. While state and federal taxes appear too far away from the voters, and some people feel that one vote will not affect the tax situation at those levels, the feeling changes when a local institution's needs are on the ballot. This is the one chance for the tax-burdened voter to control those "getting-out-of-hand" taxes, and the vote suddenly looms large. A hard-core of "no" voters and the retired persons, living on fixed incomes, are two groups who are against increased taxes and who often defeat bond issues. Where does this leave the institution? Bogin and Lefler have shown that voters' resistance to financial requests made by the educators is based on many variables.

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[3] Ronald D. Donahue, "Blueprint for a Successful Bond Issue," Parks and Recreation, June 1972, pp. 28,29.

> These variables are not necessarily consistent from district to district or from state to state. Ability to pay taxes, local political structure, number of children in schools, religion, and many other factors have been identified as having influence on election results. Some factors in campaigns vary considerably. These are:
>
> - month in which elections are held
> - district wealth
> - length of campaign period
> - non classroom building needs
>
> Consistent in all of the studies considered were the following factors leading to a favorable vote:
>
> - support of the municipal government
> - demonstrated need for additional classroom space
> - promise of additional curriculum
> - increasing student population
> - dissemination of information
> - large percentage of parents in population
> - citizens advisory participation
>
> Consistent factors leading to an unfavorable vote were:
>
> - opposition from any organized group
> - divided school board
> - controversial placement of buildings
> - many new residents
> - large percentage of parents of parochial school students
> - lack of public use of school facilities
> - large percentage of non-parent residents (including fixed income)[4]

In 1962, Gott analyzed responses to questionnaires and face-to-face interviews with residents in twenty Kentucky school districts that had held bond issues. Indications were that some of the factors influencing a favorable vote included support of the city council, proven need for additional classrooms, promise of increased curriculum, support of the school staff, dissemination of information through all media, and increasing student population. Unfavorable infleunce was exerted by added taxes and opposition from any organized group. The absence of any positive factors listed above also was considered a negative influence.[5]

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[4] Don Bogin and Dave Lefler, How To Gain Public Support for Your School Budget and Bond Issue. (Glassboro, N. J.: Glassboro State College Press, 1965) p. 34.

Crider, in 1967, studied thirty Mississippi school districts. Fifteen were successful in their bond votes; fifteen were unsuccessful. Factors influencing favorable results included a significant population between the ages of 21 and 45, a planned publicity campaign, and support from the local political government. Negative factors, included any organized opposition, a divided school board, and disagreement over location of new facilities.[6]

Hicks, in 1967, studied all Ohio school-related elections during two four-year periods. He concluded that the local ability to pay for education is of less importance in determining election outcome than is the local willingness to increase property taxes to support schools.[7]

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[5] Prentice Lay Gott, "Selected Factors Associated with the Success or Failure of School Bond Campaigns in Kentucky," unpublished Doctoral dissertation, George Peabody College for Teachers, Nashville, Tennessee, 1962, p. 31.

[6] Russel Joy Crider. "Identification of the Factors Which Influence the Passage or Failure of School Bond Issues in Selected Counties of Mississippi," unpublished Doctoral dissertation, University of Southern Mississippi, Hattiesburg, Mississippi, 1967, p. 29.

[7] Theodore Bienenstok and William Sayers. The Rejection of School Expenditure Proposals in "High-Resistance" Districts, Albany, New York: New York State Department of Education, 1959, p. 34.

Fish studied five school-finance elections in a single district in Washington State in 1964. Negative attitudes were usually based on a general feeling of economic pressure from changing personal incomes and increasing tax levies. Of great importance was the ability of the voters to accept as fact, statements made in official school publications or statements; negative voters tended to reject these types of communications.[8]

Bienenstok and Sayers in 1958 studied twenty-six New York districts that rejected more than one school budget in a three-year period. Negative influence was exerted by high education costs, public belief that frills were included, poor school-community communications, organized opposition, and confusion caused by other local political issues. The New York State Department of Education retested the conclusions of Bienenstok and Sayers in 1960. The same characteristics were found with the addition of one: the high rate of turnover in school board membership is a negative factor.[9]

Turner, in 1968, analyzed effectiveness of techniques used to encourage voter turnout in a 1966 bond issue election in Log Angeles. She recommended that school officials should first identify the characteristics of local favorable voters and aim the campaign at getting those favorable voters to the polls.[10]

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[8] Lawrence Dean Fish. "An Analysis of Factors Associated with Voter Behavior in School Budget Elections." Unpublished Doctoral dissertation, Washington State University, Pullman, Washington, 1964, p. 34.

[9] Bienenstok and Sayers, op. cit., p. 17.

[10] Pat Edmarine Turner. "An Analysis of School Bond Campaign Techniques and Their Voting Patterns." Unpublished Doctoral dissertation. University of California, Los Angeles, 1968. p. 13.

Defeat of a bond referendum in Runnemede, New Jersey, in March, 1969, led to a door-to-door survey of the community by eighty members of the Citizens Education Study Committee. More than 1,300 homes were visited. but responses were obtained from only 866. More than seventy percent of the respondents said they voted against the tax rate. Only six percent of the respondents thought that the new school was not needed, but they felt that even though the school building was necessary they could not pay for it. Only 1,237 voters went to the polls in the March election, representing only a small percentage of the registered voters. School Superintendent Robert Goodwin said most of the voters claimed that they wanted more information about the proposal and enrollment projections, yet specific information had been provided previously in school publications, newspaper articles, and paid advertisements in the newspaper. The chairman of the Citizens Committee blamed community apathy for the defeat.[11]

Richard F. Carter reported that the non-voters were significantly different from residents who voted. He termed them "inactive, uncommunicative, apathetic." Non-voters did not visit schools, and they didn't talk about schools. They were so uncommunicative that most of the residents who refused to be interviewed by researchers were in this category. These non-voters believed that they had no influence on what happened in the schools and, therefore, had no interest in the schools. They wanted no information from the schools at all, so they were the least informed. If they communicated with anyone about the schools, it was to other apethetic non-voters. They tended to be residents who were older, or who had no children, or they had children who had completed public school education. They were frequently retired or employed in less-skilled occupations. (Some non-voters did not follow this general pattern, however they indicated a desire to vote and did not because they did not know a well-informed source.) Carter concluded that schools wishing to develop more favorable responses from voters should improve communications with citizens, not through the traditional channels of mass media and mass meetings, but by encouraging fuller participation of the entire community in school-related activities. This would help to achieve an effective face-to-face contact for school officials to offer all residents, even if they have no students in schools.[12]

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[11] Robert Goodwin, Personal communications, March 31, 1070.

A study was conducted in Butler, New Jersey, in spring, 1970, to determine the reasons given by non-voters for their lack of participation in a school bond referendum. Twenty non-voters from 12 sections of the community were interviewed in their homes the day after voting before results were generally known. A list of open-ended questions was used. Non-voters gave various reasons for their lack of participation as follows: 1) indifference to the outcome of the election, 2) conflict between voting hours (noon to 9 p. m.)and personal schedules, 3) forgetfulness on election day (people just forgot that the election was being held that day), 4) ignorance of the referendum, 5) a lack of desire to get an absentee ballot, and 6) uncertainty about eligibility to vote. Some did not realize that registration for general elections qualified them to vote in school elections. Comments made by many people following the election were generally "I am not registered for school elections." This reason was given by a 30-year old mother of three children who are too young for public school. She was aware of the referendum and supported it, but said she could not vote. She thought she was registered for "regular elections."[13]

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[12] Richard F. Carter. "Communication, Understanding, and Support for Public Education," in Paris-Stanford Studies in Communication, ed. Wilbur Schramm, Stanford, California: Stanford Institute for Communications Research, 1962, pp. 43, 45, 50.

A citizen's advisory council is usually instrumental in winning elections. Time after time experience indicates that one of the keys to a successful bond issue campaign is a citizen's advisory council. So clear is this in the research that it is difficult to imagine an enlightened school district conducting a campaign without one. In fact, some districts have a checkered history of passing bond issues. It's interesting to observe that when those districts had advisory groups involved in the campaign, the bond issues passed. However, in most cases, in the same districts, the bond issues were defeated when no advisory groups were involved. The advisory group, if representative of the community, assures voters that their viewpoints have been considered. It also provides for face-to-face communications between advisory group members and many voters. The lack of emotional concern was the greatest characteristic of non-voters. Since studies indicate that face-to-face communication is the most effective was to change attitudes, the advisory committee is an invaluable asset.[14]

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[13] Bogin and Lefler, op. cit., p. 34.

[14] Ibid.

Coastal Carolina Community College, located in Jacksonville, North Carolina, had a bond issue in November 1974. Communications were maintained between the colleges promoting local bond referenda. How was it done? What guaranteed success? It would be difficult to say that any one activity or project could be left out or that any one was the key to success. The following list of activities and events will help to tell the story of "How to Pass A Bond Referendum."

1. The college president held a meeting of the administrative council for the purpose of preparing a list of ideas on how to promote and successfully pass a bond referendum. Follow-up meetings with the council members meeting with the president in pairs, were held.
2. Bond promotional ideas were solicited from faculty members. The president met with faculty members during their divisional meetings for their input on how to pass a bond referendum.
3. A staff member was appointed to coordinate activities relating to bond referendum promotion. A calendar of activities listed scheduled events to be executed on specific dates.
4. All promotional ideas were assigned to staff members who were given specific tasks to carry out. Their responsibility was to organize and complete the jobs assigned to them.
5. College staff and faculty members donated a minimum of $10 per person to purchase bond promotional materials and advertising which consisted of bumper stickers, rubber stamps, cards, posters, signs, brochures, and pens.
6. The chairman of the board of elections was contacted to schedule a representative to be on campus and register eligible voters whose names were not on the books.
7. A professional writer was acquired on a part-time basis to promote the bond referendum.
8. Coffees were scheduled throughout Onslow County where neighborhood women gathered to talk about the college and the bond referendum.
9. Two staff members spoke to every extension class in Onslow County.
10. Full-page advertisements were run in three county papers. All ads were financed by friends of the college - those who supported the bond referendum.
11. A vast number of civic clubs, professional groups, and community groups gave one scheduled program for a Coastal Carolina Community College speaker.
12. The local radio "talk programs" were monitored

each day to learn what people were saying about the upcoming bond referendum.

13. CCCC had a booth at the Onslow County Fair. The booth depicted the old campus and the projected new campus. During fair week, the college trustees, staff, faculty, and students manned the booth, passed out brochures, and talked with interested fair goers.
14. Letters were written to the Onslow County Public school teachers.
15. A prepared speech was distributed to all bond referendum speakers in order that all speakers would be telling the same story.
16. Copies of the president's Ten-Year Report were mailed to Onslow County citizens.
17. A fact sheet was prepared and copies given to all staff and faculty members.
18. Vendors were contacted for possible bond support.
19. Industry Appreciation Week was publicized during bond promotion days.
20. Two large billboards were made and placed on traveled highways.
21. The president published a personal letter addressed to Onslow County citizens in the local newspaper.
22. Four "Profile" radio programs dealt with the bond referendum.
23. Marquees at places of business carried the words "Vote 'Yes' CCCC Bond Issue."
24. A telethon and a walkathon was organized for the three days before November 5.
25. On Friday, October 24, and Saturday, October 25, shopping centers were manned by college personnel to pass out literature.
26. Grocery bags were stuffed with brochures on October 31 and November 1.
27. Pictures revealing campus needs were shown in newspapers to show the need for college construction.
28. Instructors called alumni.
29. CCCC instructors' wives or husbands promoted and endorsed the bond referendum in their businesses.
30. A special issue of the college newspaper on the bond referendum was published.
31. Various groups endorsed the bond referendum: Senior Citizens, Young Democrat Club, Young Republican Club, and American Business Women's Association.
32. The daily newspaper went on record in support of the bond referendum.
33. CCCC graduated were identified and encouraged to endorse the bond referendum via radio, newspaper, etc. Others did it on a voluntary basis by calling in on talk shows.
34. Two TV stations ran thirty spots on bond promotion.
35. Endorsements by business leaders, politicians, and professional people were taped. The 15-to-20

second spots were played many times each day over two radio stations one week prior to voting.

36. The four mayors of the cities in the county publicly endorsed the bond referendum.
37. Police science students and other groups provided transportation to take voters to voting polls.
38. Polling places were manned by students and staff members on November 5, 1974. "Vote 'Yes'" cards, were distributed liberally by the students, parents, and friends of the college.
39. On November 7, the president printed an appreciation memorandum which was sent to board members, staff, and faculty.[15]

The bond referendum passed carrying 55 percent of the votes cast. The victory celebration was truly a celebration by the total college community. Hard work and long hours had fatigued everyone, but the badly needed money was assured the college. Coastal Carolina Community College is building a totally new campus; funds that were in hand and the bond money will provide the community of Onslow County a community college campus valued at approximately $10 million. Who gets credit for the bond referendum passage? No single person deserves the credit - the college community worked hard as a team.

Harrison found that the kaffeklatsch, or informal neighborhood meeting in a private home, succeeds because it offers school officials an opportunity to meet the people face-to-face in small numbers. A good measure of give and take is possible. Schoolmen are able to get their message across and to get feedback. Of course, a number of school officials use the kaffeklatsch system to reach only residents who are apt to be favorably disposed toward the bond issue in the first place. The feedback, while still helpful, is not as meaningful as it might be if people with negative opinions were included. It would not be a bad idea for school officials to schedule a series of kaffeklatschs once or twice a year even if there is no upcoming major issue. The school system might use the occasions simply for general information about what's going on in the institution and as a means of obtaining feedback on what the people are thinking about different aspects of the school system.[16]

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[15] Lewis F. Cockerill and Carl E. Poston. "39 Steps to Passing A Referendum." The Community and Junior College Journal, December/January, 1976, p. 35.

The Danbury, Connecticut, principle for success in the passage of school bonds is quite simple. The process involves the compilation of a list of probable "yes" voters totaling at least twice the number of "no" voters in the most recent bond election. The next step is to make sure that the "yes" voters go to the polls. Experience and research studies prove that person-to-person contact is most effective and probably the best vote-getting technique in any political campaign. A house-to-house campaign in Danbury takes six weeks. It requires a small, hard-working central committee staff to handle the organizational and clerical details. It requires a volunteer corp of concerned housewives to work in the field. Most important, it requires a sense of team spirits; every volunteer must do her job without fail. Here is a 20-step plan, taken from "Winning A School Bond Election," for duplicating the Danbury Campaign technique.

> Step I
>
> The central committee gets a copy of the most recent street map of the community or school district. With a felt pen, workers divide the map into zones no larger than five square blocks, numbering each one I to X.
>
> Step II
>
> The central committee gets a copy of the most recent voting list for the community. Workers go down the list, cutting off each name in turn and placing the strips in piles numbered from I to X, representing the zones. (Note: husbands and wives as one name.)

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[16] Charles H. Harrison, "Kaffeklatschs: a good way to 'get to' the people," (sic), Nation's Schools, McGraw-Hill, Inc., June, 1965, p. 35.

Step III

The central committee throws away the strips representing the two or three least promising zones. Political leaders can tell you which these are. Generally speaking, promising zones have high concentrations of middle and high income parents with children in school. Unpromising ones have high concentrations of low income voters, elderly people, and boarders.

Step IV

The central committee staff divides the strips for each remaining zone into groups of 10. Each group of 10 names, along with phone numbers and addresses is then transferred to a separate 8½ x 11" form, typed in duplicate. List husbands and wives together.

Step V

The house-to-house committee chairman recruits a captain for each zone. Choose women who have leadership ability, "doers" who are involved in community affairs. If possible, each captain should reside in the assigned zone. Let each captain know the number of 10-home cards in her zone.

Step VI

Each zone captain recruits a separate volunteer worker for each 10-home card in her zone, and reports these assignments to the central committee. The worker's only job will be to visit each of the 10-homes on her card, presenting the case for the bond issue. Experience shows that 10 homes is a reasonable workload for one woman with a family to care for and other obligations.

Step VII

Draft a clearly worded instruction sheet for house-to-house volunteers. (See exhibit in handbook.)

Step VIII

Engage volunteer high school students (or hire them) to deliver the following items to each 10-home worker: (1) copy of the fact sheet; (2) 11 brochures; (3) copy of the instruction sheet; (4) original copy of the list of 10 families she is to contact. (The duplicate copy stays in the central office.)

Step IX

Conduct a "pep" meeting of all captains and volunteers (100 percent attendance is desirable but not essential.) Review the fact sheet and instruction sheet. Stress the importance of everyone doing her job. Thank your volunteers in advance for their help.

Step X

Each volunteer studies the fact sheet and instruction sheet so she can answer questions in the house-to-house canvas.

Step XI

Each volunteer visits the 10 families on her list presenting the case for the bond issue and answering questions. (She does not deliver the brochure during this visit.)

Step XII

The central committee mails to each volunteer a Probable Yes form and a return-addressed envelope.

Step XIII

Each volunteer makes her second house calls, leaving a copy of the brochure. During this visit, the volunteer should try to find out, without asking the question directly, which way the family is tending, Yes or No. (Note: husbands vote the same way as their wives, at least two-thirds of the time.)

Step XIV

Each volunteer fills her list of probable Yes voters and mails it to the central committee at least four days before the election.

Step XV

The central committee hires phones for an election day get-out-and-vote drive. Rule of thumb: You'll need one phone for each 300 probable Yes voters.

Step XVI

The central committee recruits the following volunteers for election day work:

* a phone worker for each phone
* at least two drivers for each zone
* at least two baby-sitters for each zone
* a poll watcher for each polling place
* a runner for each polling place
* three clerical workers for the central office

Step XVII

The central committee staff compiles a master alphabetical list of names and phone numbers of all probable Yes voters, last names first. This list will be used on election day.

Step XVIII

As voters file past the registrar's desk in each polling place, the poll watcher notes their names on individual forms, last names first. Every hour, the runner delivers the accumulated slips to the central committee's election-day headquarters.

Step XIX

Central committee clerks check the names of those who have voted against the master list of probable Yes voters. If the name is on the master file, it is crossed off. At 1 p. m., phone volunteers begin calling probable voters who haven't gotten to the polls, urging them to vote and offer baby-sitting services or car transportation. (Note: Don't advertise these services in your local newspaper; reserve them for your probable Yes voters.)

Step XX

Baby-sitters and car drivers work through the afternoon as required, getting their assignments from the phone volunteers at central headquarters.[17]

Needless to say, the house-to-house campaign requires a lot of dedicated and strenuous work and executive ability. Zone captains must be sure to recruit the required number of volunteers at the end of three weeks. Captains must be sure that their workers are doing their assignments according to the instructions. The campaign is only as good as the list of probable Yes voters that arrive at central headquarters toward the end of the campaign.

An article from the Nation's Schools Report states that a surefire way to lose your next school finance campaign is to announce to the people a six-to-five vote by the board of trustees in support of a school bond issue. Such a split it the "kiss of death" according to Banach, a communications consultant who has analyzed the 12 most common reasons bond issues fail. Even one board member opposing a bond issue, he says, raises credibility questions with the public, which thinks "there must be something wrong."

According to Banach, there are at least eleven other "ways to assure failure" in a bond campaign:

1. Failing to analyze. A good campaign should start with thorough assessment of previous elections and should include opinion polls and other analysis of what the community wants and is likely to support.
2. Proceeding without a plan. Lack of planning is the root cause of floundering campaigns. Developing time lines and detailing responsibilities are prerequisites for success.
3. Using the wrong strategy. Instead of identifying probable "yes" voters, making sure they understand the issues, and getting them to the polls, some educators concentrate too much time on the "no" voters, even though it's more productive and easier to find 10 "yes" voters than to turn one "no" voter around.
4. Putting citizens in control. Campaigns should be led

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[17] Danbury, Connecticut School System, "Winning A Bond Issue Election," unpublished paper, 1965.

by citizens, but controlled by administrators. Citizens know even less than educators about campaigning, usually cannot devote full time to the effort, and, unlike administrators, cannot be held accountable for their activities.

5. Neglecting Year-round financial communications. A common citizen complaint is that "...the schools only talk to us when they need money." Districts with continuing communications programs are the most successful in financial elections.
6. Using Jargon. Many educators have a hard time explaining such terms as "state equalized valuation" yet expect the public to be swayed by them. Financial communications should be student-oriented, showing pictures of kids instead of "money trees" and floor plans.
7. Timing communications badly. Communications relating directly to the election should be reserved for the seven to ten-day period prior to election day. Long, background messages should be communicated early in the campaign, shorter ones as the election day approaches.
8. Communication only one-way. Opportunities should be provided for feedback and questions from constituents -- otherwise, all the press releases, brochures and election literature will prove fruitless.
9. Misusing committees. Committees should be used to perform tasks that are necessary but should not be designated control. Control should rest with a campaign manager with appropriate responsibility and authority to coordinate the committees' work.
10. Disregarding systematic feedback. Research is needed to tell campaigners what effect they've been having and to identify necessary midcourse corrections in the campaign.
11. Ignoring Legal Counsel. Everything should be checked twice - - once with an attorney, to avoid improperly worded or confusing ballot, for example.[18]

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[18] "Finance," Nation's Schools Report, Vol. II, No. 1, January, 1976, pp. 4-5.

Chapter III

RESEARCH AND METHOD OF PROCEDURE

In undertaking this study, a survey of the available literature revealed that most of the information related to public secondary schools. There was very little information relating to the community college in either the Educational Research Information Center (ERIC) search or a thorough search conducted by the library service in North Carolina.

Most of the relevant materials came from speeches and articles in magazines. Most of the information involved success stories relating to isolated incidents. Very little information was found concerning what causes the defeat of a bond issue. Apparently most people do not like to publish the reasons for the defeat of a bond issue.

In an attempt to obtain firsthand information, the writer met with ten technical institute and community college presidents in North Carolina to discuss their roles in bond issues held in their respective counties. Four community college presidents and a community college consultant from Appalachian State University, Boone, North Carolina, were used to review the final product and were asked to make recommendations, some of which were incorporated into the handbook.

The final product will be mailed to all 57 technical institutes and community colleges in North Carolina for their information and use in organizing a campaign for their individual institution. In the fall of 1976, Cleveland County Technical Institute will follow the plan as outlined in the handbook, in an effort to secure $4,000,000 for the second phase of its long-range building program.

The evaluation of this handbook will be conducted over a period of time after it has been used in other settings outside of Cleveland County. The true value will be determined by continued success or failure of issues where this plan has been used. The short-range success or failure of the handbook will be determined when the bond issue is held for Cleveland County Technical Institute.

The interview technique was employed to collect data and information for this study. The questionnaire in the appendix was a tool used to start the conversation with each president but presidents were not asked to fill the questionnaire out. The interviews were open-ended and each president was asked to add any information that he felt was relevant. Most of the questions on the form were answered by the participating presidents. The interviews were taped and a written report was sent to each president for his information and to make any changes that he felt would make the information more accurate. A copy of the written interviews as taken from the tapes can be found as Appendix A. The interviews were conducted at a presidents' meeting in Burlington, North Carolina, over a three-day period. Ten presidents were chosen by random selection from the fifty-seven community college and technical institute presidents who had had previous experiences in bond issue campaigns since 1963. Participation was on a voluntary basis and all ten who were chosen agreed to the interviews. A letter of appreciation was sent to each president expressing appreciation for their participation in the interviews. A copy of this letter can be found as Appendix B.

The information from the interviews was helpful in formulating the handbook. All of the presidents used basically the same plan but carried out their specific bond issue in different ways depending on the people coordinating the campaigns.

Most of the presidents assumed the leading role as the coordinator of the bond issue camapign. This approach worked in most cases where the president knew the voting population, but if he was unfamiliar with the community, a more knowledgeable person such as a board member assumed the leading role. In all cases one individual was appointed to coordinate the entire campaign, preferably a member from the steering committee.

Every president stated that a united front from the board of trustees of the institution, the faculty and staff was very important in convincing the general public of the need for a building program. The local government officials and the news media seemed to play a vital role in creating a positive response from the voters in the local community.

Some of the presidents felt the news media was the most important source for convincing the voters of the building need of the institution, and they would not approve a bond issue if the local press did not support the bond issue. However, a few of the presidents felt that the local press had only a minor influence on the voter in the bond issue and would have held the issue without their support.

All of the presidents interviewed indicated that the handbook would be of help in organizing bond issues for their institutions in the future and expressed an interest in receiving a final copy of the

Major Applied Research Project. The project was discussed with Ben Fountain, State President of the North Carolina Community College System, Raleigh, North Carolina, and he stated the handbook would be of help to his staff as they worked with local boards of trustees in the fifty-seven technical institutes and community colleges in North Carolina.

Chapter IV

ANALYSIS OF THE SURVEY

Most presidents agreed that in presenting the bond issue to the voters, a united and cooperative method was very important. All of the presidents stressed the importance of having the support of governmental leaders and educational leaders to recognize the need for the proposed facilities. Without the understanding and commitment of their leaders approval is difficult to secure. Public knowledge and endorsement by local clubs and organizations are a must. Most presidents said that local citizens should be involved, even if they were no more than figure heads. This group would help to explain the need for the bond issue. Local contact men were used in many of the successful campaigns, and a coordinated effort between the institutions' personnel and the local community seemed to be the key to passing a bond issue.

Knowing the character and interest of the public was very important: therefore, individuals with special knowledge of the needs of city and rural concerns were selected to communicate with each group. Surveys were used in some instances to find out how the general public felt about the bond issue and their interest was incorporated in planning the campaign.

Everyone indicated that a positive approach was best. Knowing the needs and interests of voters is important in presenting the bond issue within a positive framework. Emphasis should be placed on what the issue will do to make the institution more effective in meeting the individual needs in the future. Avoid the negative vote and concentrate on getting the "yes" vote informed. In essence, this strategy probably is the key to passing a bond issue. Since people lose interest in a complex analysis of the issue, many of the presidents agreed that the voter did not need to be smothered with too much information; however, care should be taken not to underestimate the intelligence of the voter. In addition, in all of the approaches considered, a door-to-door campaign by students was thought to be most valuable. The telephone was the next most valuable tool. All agreed that a successful campaign had to have the support from local news media, and that advertising should be aimed at the "yes" vote, always being careful not to arouse the negative vote. This objective is extremely hard to accomplish, but an attempt should be made in all campaigns. Many advertising techniques can be used in disseminating information for the public.

Brochures should be used to help inform the civic clubs and other organizations when presentations are made. A fact sheet containing answers to relevant questions concerning the bond issue should be provided. Students should write letters to the editors telling what they have gained from the courses they are taking at the institution. Most of the presidents felt that posters and bumper stickers had a place in the campaign but were not sure of the total value on the outcome of the bond issue. An important overall factor in passing a bond issue is never to relax from the first formal announcement of the Board of Trustees to election day. From these interviews it is obvious that no one should take for granted that a bond issue will pass. It is important to keep in mind that a positive attitude is needed throughout the campaign, and that the school will continue to exist regradless of the success or failure of the bond issue. However, in preparing for a bond issue, the local newspaper has more influence on the general public than any other of the news media. Most people read the local newspaper daily. However, those who do not read the paper, hear others discuss the news. The newspaper becomes an official document for the reader if he agrees with it.

Robert Paap, president of Catawba Valley Technical Institute, Hickory, North Carolina, has had only one bond issue since 1958. Most of the financial support for capital outlay money has come from the alcohol tax in Catawba County. The bond issue was for $250,000 and was offered to the people at the same time the public schools had a county-wide bond issue. From this interview it was learned that the president and his staff organized the bond issue from the beginning to the end. The board members were not involved on a formal basis but did support the issue 100 percent and raised $5,000 for advertising purposes.

The organization seemed to be the most important factor and the timing of activities before the election was the next most important. The president seemed to think that a few well-organized people were better than using every person that wanted to help. A few well-organized people working together are vital to passing any bond issue. All of the presidents interviewed agreed that there must be a definite need for the money and that voters must realize this need. This point is overlooked by many educators today because they think the average citizen knows the needs as well as the people who are closely involved with the institution. This misconception was probably the main reason the two bond issues failed at Cleveland County Technical Institute. Paap's organizational plan met needs similar to the needs of Cleveland County Technical Institute. The population base is approximately the same and the size of the institution is basically the same.

Howard Thompson, president of Wilkes Community College, Wilkesboro, North Carolina, has had two bond issues; one passed and one did not. It was obvious from our interview that the voters felt the need to pass the first issue but did not have the same feeling on the second issue. All of the institution's personnel felt committed to both issues, but the "man on the street" did not have this positive attitude for the second issue.

The greatest mistake on the part of the Wilkes personnel was that most of them felt that the average voter supported the needs of the institution as much as they did. When the votes were counted the institution's personnel were surprised and disappointed, but the average voter was not. This misconception of voter support was the primary reason for defeat.

The surveys found in Appendix A would help to determine how the average person feels about the bond issue. There should be no surprises in a bond issue, and a well-informed Steering Committee is a means of avoiding unwanted surprises.

The interview with Gerald James, president of Rockingham Community College, Wentworth, North Carolina, contributed very little to the overall organization of the handbook because no organized plan was used to pass their bond issue. The interviews indicated that the fate of the bond issue was left to the people to determine the need for the capital outlay money without any organized campaign. James felt that the general public had all of the information about the institution's needs to make a decision for or against the bond issue. The primary reason for passing the first issue was to establish the institution, and the second issue was for expansion of the institution. It was obvious from the second election that the general public was not willing to vote more money for the institution without more information about the needs for the expansion program.

Sam Morgan, first president of Richmond Technical Institute, Hamlet, North Carolina, and Joseph H. Nanney, current president, were at that institution when the two bond issues passed by large majorities. Joseph H. Nanney attributed much of the success to the fact that the local news media was influential in the success of the issues. Two newspapers in the community became actively involved and supported the passing of the issues. The handbook has been designed to use the local news media to help inform the general public of the institutional needs. Many of the presidents emphasized the need for keeping the local press informed. The handbook recommends that the Steering Committee be responsible for informing the general public of the needs for additional capital outlay money from a bond issue through the local press. Also, this interview verified the importance of using the students, faculty, and staff in carrying out the organized plan of passing the bond issue. More emphasis was placed on these two groups at Richmond Technical Institute than other institutions in the selected interview group.

Central Carolina Technical Institute, Sanford, North Carolina, has passed two bond issues, one in 1962 by sixty percent and one in 1973 by seventy-eight percent. Jeff Hockaday, president, feels that a structured organization should be developed before an announcement is made to the general public and that all details should be cleared through him as head of the organization before it is revealed to the general public. He feels that it is most important not to confuse the general public by issuing two different versions of the same subject. A few other presidents supported the idea that one person should head the Steering Committee and this plan was used in the handbook. The plan in the handbook suggests that the Board of Trustees should choose the president as leader of the Steering Committee unless he is new to the position of president. In this event, the head of the Steering Committee should be assumed by a member of the Board of Trustees who is familiar with the interests of the local community. Both Paap and Hockaday stressed that one slide presentation be used by all speakers throughout the community. The handbook also emphasized this point. Many of the presidents felt that people tend to become confused on some issues if more than one presentation is made to different clubs.

William E. Taylor, president of Technical Institute of the Alamance, Burlington, North Carolina, has been the president of this institution since its establishment in the early 1960's. Two bond issues have been passed almost simultaneously, one to move the institution to a new location and another to complete the building designed for the new location. The first issue was held in February of 1974 and the second was held in November of the same year. Both issues passed by a seventy-eight percent margin. Although the first issue was organized similar to the plan in the handbook, the handbook contains little direct information to it. Taylor's busy schedule prevented him from supplying the data he had promised. Taylor feels that the image of the president in the community has more to do with passing a bond issue than many people are willing to believe. This conclusion may be valid for Taylor's institution, but it is dangerous for the president of Cleveland County Technical Institute where two bond issues have been defeated. Taylor's philosophy was not incorporated into the handbook.

Pamlico Technical Institute, Alliance, North Carolina, is the smallest institution in the North Carolina Community College System. One bond issue for $150,000 has been passed. Information and a questionnaire were sent to every home in Pamlico County about the bond issue for the institution. After this was accomplished the only plan of action was to keep the opposition quiet. This goal was primarily accomplished by the president. The handbook makes very little reference to this plan since Cleveland County Technical Institute has a population area of approximately 75,000 people.

Piedmont Techincal Institute has passed one bond issue in November of 1974 for $500,000 by a seventy-one percent margin. The population of the service area located in Roxboro, North Carolina, is 28,000 people. Some of the same techniques used by Paul Johnson, president of Pamlico Technical Institute, were used by Edwin W. Cox, president of Piedmont Technical Institute. Some of the same ideas were used in the handbook that Cox used but were organized more closely to the plan used by H. E. Beam at Caldwell Community College and Technical Institute. Cox assumed the leading role in the bond issue and coordinated all the activities from the inception of the campaign until the day of the election. From the information learned in the interview this was a well organized campaign that informed the people of the community about the needs of the institution for the capital outlay money. Cox was the only president who used a thirty-minute television program to inform the people about the bond issue. This idea was not incorporated into the handbook to be used for Cleveland County Technical Institute simply because there is not a local television station in Cleveland County. There are five stations that overlap in Cleveland County, but it would be too expensive to use all five stations to inform the voters about the bond issue. If an institution were located in a county with a television station, this could be a good source to use in passing a bond issue.

Blue Ridge Technical Institute, Flat Rock, North Carolina, has had only one bond issue which was to establish the institution in 1969. The bond election for the institute was held at the same time that one was held for the hospital and the public schools. All three were supported on a general basis at the same time with no formal organizations to sponsor the issues. This suggests that some issues can pass merely by preparing a ballot to meet the legal requirements and then offering them to the general public for approval or disapproval. People in general supported all three issues from the hospital, the public schools, and the technical institute. The primary support for the technical institute came from the news media. Since the institution had not been formally established, no board members had been appointed and no president had been elected to lead the campaign to support the issue for the technical institute.

H. E. Beam has been president of Caldwell Community College and Technical Institute, Lenoir, North Carolina, from the beginning of the institution. One bond issue has passed for $600,000, but a second one for $1,000,000 was defeated. The second issue was held eight months later for $800,000 and passed. The organization and follow-up of each issue were well organized and documented. Of the ten presidents interviewed and the experience of each institution's bond election evaluated, Caldwell Community College and Technical Institute had the best plan. Many of the same problems in passing a bond issue in Cleveland County are similar to the ones revealed through the interviews with Beam. The population is approximately the same and the voters have a conservative attitude about spending money. The timing of the election with other issues on election day was a problem for Caldwell Community College and Technical Institute. It was felt by many people at Cleveland County Technical Institute that the timing of the bond issue was the primary reason for the bond issue not passing. The writer felt the experiences of the two institutions in bond issues were similar.

The handbook is designed around the format used by Caldwell Community College and Technical Institute. Information from the literature search and the interviews of the other nine presidents were helpful, but did not have as much influence on the development of the final handbook as Beam's experiences at Caldwell Community College and Technical Institute. The "Handbook for Conducting Bond Campaign" may be found as Appendix C and Beam's responses to the interview questions may be found in Appendix A.

The idea of having a Steering Committee coordinate the bond issue campaign came from the experiences of Beam. Every campaign should be coordinated in such a manner as to make sure there are few surprises to both the voters and the institution during the campaign. This is possible when the Steering Committee is well organized and informed in all facets of the campaign. It is important to maintain support the game - - plan from the day the election is announced until the day the votes are cast. Continued monitoring by the Steering Committee is important and this should be done on a day-to-day basis. The Steering Committee should meet each day during the last thirty days of the campaign to keep each other informed on the various activities of the bond issue campaign.

Chapter V

CONCLUSION

American democracy is committed to an ideal of individual freedom within the context of the common welfare. Americans believe in free enterprise and social mobility. Even though protected by the constitution and by law, the opportunity for the individual to participate effectively in economic, social and political life does not come automatically. Both the opportunity to prepare oneself to participate and the opportunity to participate must be provided. Historically, Americans have always considered education of people in a democracy a necessity rather than a luxury. This basic ideal is why the American people are committed to the financial responsibility of supporting a community college in a capital outlay program on a bond issue. Education is expensive if one considers the percentage of tax money spent on education compared to tax dollars spent on other budgeted items. However, if education is considered an investment in the future of mankind, the amount of money spent is small when compared to the gross neglect of a county that does not have a commitment to universal education for all. In most cases, the standards of living enjoyed by the American people are directly proportional to their level of education. Nevertheless, bond issues are normally very unpopular unless the general public understands for what purpose the money is being used. For the most part, when the general public realizes the basic need, bond issues pass without very much trouble.

The literature search and the review of background and growth of Cleveland County Technical Institute has been rewarding in formulating a program that can be used to pass a bond issue in Cleveland County. School officials in other states have reported different approaches to conducting bond campaigns as revealed in Chapter II of this Major Applied Research Project. These experiences related primarily to the public schools, but they were very beneficial in formulating this report. Most all of the literature is from magazine articles and reports of individuals who have talked with special interest groups. The laws in other states would alter the plan presented in this project but most all institutions in North Carolina could use the outline with few changes. The success or failure of this plan will be determined over a period of years by its continued use by Cleveland County Technical Institute and other institutions in North Carolina. If other institutions in other states find it helpful, the value of the Major Applied Research Project will continue to increase as bond issues are passed.

The interviews with the presidents of other institutions were the most valuable part of the study. During the short history of the North Carolina Community College System, some of the presidents have been very successful in their bond issue campaigns by using the same procedures that have proven unsuccessful for other presidents. The primary reason for this discrepancy is the lack of community support rather than the approach taken in carrying out the bond campaign.

The increase in taxes was always hard to explain in successful and unsuccessful campaigns. The economic situation of the time played an important role in passing the issue. The unemployed were very reluctant in voting new tax for any reason, but the reverse seems to be true when most of the people were employed with a fairly secure job. The tax base of the county did not seem to be a very real factor in passing or failing the issue. Most counties having a low tax base usually had smaller issues, and the building needs were less. In larger populated counties the people seemed to be more receptive to passing a bond issue.

The handbook is similar in many respects to most plans used by the ten presidents interviewed. However, the handbook itself is not enough to pass a bond issue if key people are not willing to actively particpate and carry out every facet of the plan to election day. It was very obvious in most cases which failed that the presidents assumed that the institutions had all the support needed to pass the bond issues without supplying the general public with detailed information on how the money would be spent. On the other hand, where very active and positive campaigns were organized and carried out to election day the issues carried. It was also obvious that most of the presidents felt the election should be separate and apart from other issues. People tend to become confused when the public schools and the community colleges hold issues on the same day, even when the issues are on separate ballots.

There is no question that a successful $3,000,000 bond issue to build a Learning Resources Center of approximately 35,000 square feet, and a classroom building of 35,000 square feet would have an impact on the quality of permanent buildings on the Cleveland County Technical Institute campus. The tractor sheds and milk barns have been in existence for the past fifty years and served their purpose quite well when the campus was used for a County Home for the Aged. A committee of the Board of Trustees and a visiting committee of Southern Association of Colleges and Schools have declared the renovated buildings inadequate for both classrooms and the Learning Center.

Following the action of these committees, a ten-year long-range plan was developed by Odell Associates, Inc., architects of Charlotte, North Carolina. The first phase of the building program has been completed. This phase consisted of two buildings that contain 45,000 square feet, housing the shops for vocational classes along with classrooms used for general classes in the technical program. The students and faculty have been very patient with the continued use of the renovated facilities but their patience is growing thin. With a student body of 2,000 full-time equivalency students and permanent facilities that will house only 700 full-time equivalency students, it has become increasingly difficult to have a quality program. The institution has continued to grow in enrollment for the past five years. It is time to do something constructive about eliminating the physical plant problem. It is hoped that this proposal will be the first step in solving the pressing need for additional buildings. The staff, administration, and the Board of Trustees have a twenty-year long-range plan that was developed by the school's architectural firm to eliminate the problem. The primary obstacle is securing the necessary capital for buildings. The state and the county commissioners will not allocate any more money until matching money from a bond issue is secured. Although the failure of two bond issues for the institution in the past ten years is discouraging, it is hoped that the plan of action developed from this study will help the Cleveland County Technical Institute Board of Trustees when the next bond issue is offered to the people in Cleveland County.

The writer will propose to the Board of Trustees of Cleveland County Technical Institute that the members of the Steering Committee visit H. E. Beam and his staff at Caldwell Community College and Technical Institute, Lenoir, North Carolina, and talk with them personally before the bond issue is announced to the voters in Cleveland County. Many of the same problems in passing a bond issue in Cleveland County are similar to the ones revealed through the interview with Beam. Beam's responses to the interview questions may be found in Appendix A.

All five evaluators made suggestions for improving the Major Applied Research Project and the handbook. Most of the suggestions were taken into consideration but did not alter the original plan to any great extent. Each evaluator rated the project on a scale from one to ten with one being poor and ten being excellent. Leland Cooper gave the Major Applied Research Project a rating of seven, M. H. Branson rated it with an eight, John Price with a nine, Joseph Mills with a ten, and H. E. Beam gave a very positive overall reaction. A copy of the report from each evaluator is found in Appendix D.

The short-term reward of this study will be tested in the fall of 1976 when Cleveland County Technical Institute has its next bond issue. The long-term evaluation of this study will be determined over the next several years. Each president in the North Carolina Community College System will receive a final approved copy of the Major Applied Research Project to use in organizing a bond issue for their institution. Copies will be sent to the representatives of the University System in North Carolina that work with the community colleges in North Carolina. Copies will be made available to other interested people in other states.

in 1978, a survey will be sent to each president in the North Carolina Community College System to determine how the study was used by their institution. The survey will attempt to determine how each president used the study and of what value it was in conducting the bond issue. Each president will be asked to make suggestions for changes to improve the Major Applied Research Project handbook. The experiences over the next two years with bond issues will be important in updating procedures outlined in the handbook.

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Interviews Conducted on January 13-14, 1976 With Ten Presidents of the North Carolina Community Colleges and Technical Institutes in Burlington, North Carolina

Appendix A

Interview Guide to be used with Selected Community Colleges and Technical Institutes in order to Develop a Handbook for Use in Successfully Passing a Bond Issue at Cleveland County Technical Institute

Interview Questions

(Please circle appropriate answer)

1. In how many bond issues has your institution participated in the past ten years?

   (1) One
   (2) Two
   (3) Three
   (4) Four

2. How much was each issue?

   (1) $0 - $500,000
   (2) $500,000 - $1,000,000
   (3) $1,000,000 - $2,000,000
   (4) $2,000,000 or more

3. What time of the year should a bond issue be held?

   (1) Spring
   (2) Summer
   (3) Fall
   (4) Winter

   Why that particular time?

4. Do you feel the bond issue should be held at the same time as other major issues (such as a presidential or county election)?

   (1) Yes
   (2) No
   (3) Not sure
   (4) Against bond issues under any circumstance

5. Do you feel the news media (radio and newspaper) are a help in passing a bond issue?

   (1) Yes, but -
   (2) Most important single factor in passing a bond issue
   (3) Not relevant
   (4) Of very little value in passing a bond issue
   (5) No opinion

6. How much did the bond issue increase taxes for the general taxpayer after the bonds were sold? Why?

(1) 0 - 5%
(2) 5 - 10%
(3) 10 - 20%
(4) No increase

7. If the bond issues raised taxes after the sale of the bonds, do you think it hurt the chances of passing another bond issue at a later date? Why?

(1) Yes
(2) No
(3) No opinion
(4) No sound way of knowing

8. Were the Board of Trustees actively involved in the bond issue campaign?

(1) Led, organized, and carried out campaign
(2) No leadership at all
(3) Unable to determine
(4) Was involved but did not lead

9. What effect do you think the students had on the passing or failing of the bond issue?

(1) Leading organizer
(2) Had no role at all
(3) Hard to determine
(4) Equal share with other groups

10. List five factors that influenced the passing of your bond issue, the most important one first and the least important one last.

(1) ____________________
(2) ____________________
(3) ____________________
(4) ____________________
(5) ____________________

11. List the five factors that influenced the failure of your bond issue, the most important one first and the least important one last.

(1) ____________________
(2) ____________________
(3) ____________________
(4) ____________________
(5) ____________________

12. Did you use a speakers bureau to talk with local clubs and organizations? Who made up this bureau?

(1) Yes
(2) No
(3) Used organized groups
(4) Unsure about question

Who was involved?

13. Did you organize the lay people in your local community to help pass the bond issue? Explain how this was accomplished.

(1) On an informal basis
(2) Highly organized
(3) No use of lay people at all
(4) Some activity by lay people but not sure how much

14. How much money did you spend on advertising your issue with the news media?

(1) No money
(2) \$100 - \$300
(3) \$300 - \$600
(4) \$600 - \$1,000
(5) \$1,000 or more

I. Dr. Robert E. Paap, President
Catawba Valley Technical Institute
Hickory, North Carolina 28601

- Has had one bond issue in the amount of $2,500,000
- Issue passed four to one
- Time of issue was in the spring of the year
- Timing for spring was a planned procedure
- Feels that he could pass another one at any time
- Had support of newspaper, radio, and various civic organizations within the community
- Highly planned campaign. Every move was planned, right down to what was said. Every string that could possibly be pulled was pulled
- Twelve to fourteen key people worked with the organization and planning
- A film presentation was developed and rehearsed with the above twelve to fourteen key people until they knew the program thoroughly
- Cartoons depicting facts and figures pertaining to the operation of the institution were printed and distributed as handbills to the people in the community
- Program and need were presented so well that "if people voted against us it was like voting against motherhood and eating." Many people commented that the plan was so well presented they would be compelled to vote for the issue, that if they did not vote for it, they would have a guilty conscience
- Training film session was originally forty minutes - it was condensed to about half this time. Felt that it was entirely too long to begin with
- People involved consisted of faculty and administrators. No board members - "unless you have super board members, steer clear of them."
- Picked people deliberately from various groups and organizations - with different geographical locations, but extremely well thought of on his staff - these were all staff people. Community was impressed with school people. "One fella chewed tobacco and spit in a cup - but he was so well liked that he zeroed in like a mother hen and a brood of little chicks. He worked great in his particular area. We would not let him go anywhere else other than his own community."

- People were assigned to every area. With fifty assigned presentations in the county, people could have told everyone about the issue and never missed a word

- Early in the planning two or three prime people were singled out in every community. If a question was presented to the president or his group, it was referred back to the people in the community where it originated. These prime people would then supply the necessary answer

- School officials said nothing in essence, but they did a lot of undercover work

- Bond issue was held at the same time that the public schools were seeking money. The overall amount was $12,000,000. This amount did not raise taxes. The people were told all the facts. In the beginning of the planning a guarantee had to be given to the county commissioners that the issue would not raise taxes. The normal money that the commissioners had been channeling into capital construction would be used to pay off the bonds

- The president of the institution raised $5,000 for incidentals - spent only about $1,000 on billboards and for radio time

- Students were involved to the point that five days prior to the election hundreds and hundreds of one-sheet explanation handouts were distributed. The county was broken down into geographical areas and students worked in their own particular areas, with their own neighbors and friends

- Timing of distribution of handbills, etc. must be right. If it is done too soon, it is soon forgotten and not effective. If it is done too late, most people have already made up their minds and here again, it is not effective. Five days prior to an election seems to be an ideal time

- Time of year for the election is also most important. The issue should be presented and held at a joyous time - such as when income tax refunds are being received, taxes have been reduced, bonds have been paid off. Election should never be held during the time when income tax returns are being filed, or budgets are being made

- Whole fact in successfully carrying out an effective election campaign is the psychological impact made on the people

- Most important things in organizing a bond issue campaign consists of:

1. Organization (must always be key people)
2. Timing of all phases of the issue
3. Having a worthwhile program to sell
4. Organized support - county commissioners, presidents of banks, black leaders in community, Chamber of Commerce, and total support of the Board of Trustees

- In organizing campaign, choose people who can relate to "own kind."

- Solicit the support of your positive precincts

- Develop a film of presentation telling your story in plain facts.

- Institution did absolutely nothing on election day

- Found everyone willing to help. Discovered that too many people made campaign less efficient, harder to keep track of what was going on and to control. Suggest that few people, hand picked, be highly organized, with every move deliberate, and nothing taken per chance with no surprises.

- Instruct your people how to handle people during presentation of need, since quite often people become belligerent during a presentation of this nature

- Talk with people in the community and find out who supports which schools, who the leaders in the community are, who the people trust most, and who the community is really run by

- Set up time schedule immediately after securing approval of county commissioners

- This institution found that it could not possibly use all persons who wanted to participate. The president of the bank wrote letters to his customers requesting that they support the issue

- Did not use students to actually promote issue - felt that the people would be more interested in their own people within their own community

- This was a bi-partisan campaign - no party was involved

II. Dr. Howard E. Thompson, President
Wilkes Community College
Wilkesboro, North Carolina 28697

- Has had two elections
- First one was for $500,000 and was a success
- Second one was for $2,000,000 and failed
- Found it was best not to hold election with public schools
- Students supported issue at beginning, but student body fell apart and did not support the issue at all in the final planning
- Board members were involved in the second issue
- Five important steps to follow in planning a campaign:
    1. Divide most populous areas, concentrating on the most influential persons in that community
    2. Organize students and faculty. Solicit support of all students
    3. Solicit support of county commissioners
    4. Handle election so as not to raise taxes
    5. Plan campaign from start to election day, step by step
- Most common failure is going in with another issue - mainly, public schools
- Institution did not organize speakers' bureau
- No money was spent on advertising in any form. Advertising which was done was paid for by various groups who supported the plan - actually spent less than $1,000
- Did a lot of personal advertising by speaking to all civic organizations and other groups on their invitation
- Found that some public school officials were jealous of our plan to secure funds

III. Dr. Gerald James, President
Rockingham Community College
Wentworth, North Carolina 27375

- Two elections - one in November when the institution was established - second in 1970. Timing for second one was poor, June 10 - people were on vacation
- Should be held at a time when no other issue is being presented
- County commissioners did not support issue
- $1,500,000
- Held in spring - best time psychologically and economically
- Did not pass
- Feel that issue should be held along with another election
- News media a definite help in passing an issue
- Board of Trustees were relatively inactive
- Students inactive
- Issue was not endorsed by county commissioners - they did not take a stand for or against
- Only fifteen percent of people turned out to vote for issue
- Did not solicit active support of both political parties
- Organized a speakers' bureau - they did very little - bureau was made up of college personnel and community leaders
- Some activity by lay people but not sure how much
- Spent approximately $400 on advertising

IV. Dr. Joseph H. Nanney, President
Richmond Technical Institute
Hamlet, North Carolina 28345

- Two bond issues - passed both
- Found no insurmountable problems
- First issue was for $300,000 - second issue was for $500,000 - along with Federal funds - $325,000
- Held in fall - second one in November
- Feels that public schools should not be involved
- First issue passed eight to one
- Second issue passed five to three
- Population of area involved - 40,000
- County seat - Rockingham, North Carolina
- Newspaper and news media had big part in success of issues. Two newspapers in community - both became actively involved and supported and favored passing of both issues
- Could have probably been passed without the support of the news media but would have been difficult
- Used booklet "39 Ways to Pass A Bond Issue"
- Raised taxes from zero to five percent
- Not a lot of industry in the community
- People were in support of issue - did not seem to matter if it raised taxes or not
- Board of Trustees were not too actively involved - did some work behind the scenes
- Sam Morgan, first president of the institution, did most of the actual organizing. Faculty and all who were on the payroll participated - these people met with groups and provided information where it was needed
- Students were involved - they were probably best publicity because of the fact that many had dropped out of high school but came to institution and completed their requirements for their high school diploma. Many continued on in the one or two-year programs

- Students provided transportation to and from polls

- Very important to actively involve students

- Some important things that helped to pass the issue:
  1. Enlist support of students, particularly in evening and extension classes
  2. Write letters to all of the students mentioned in number one - fill in name, year, and class - tell them how much they are appreciated for taking part in the educational programs of the school - tell them that we played a big part in helping them to get what they wanted out of their particular course and that we are asking their help in supporting a bond issue. Several thousand letters were sent to the above students. An electric typewriter was rented (with a memory storage) and the only thing that had to be typed in on the electronically duplicated letters was the name and address, date, and the course taken. These letters looked very professional and like a personal letter. Everything else was programmed. Felt that this letter to the extension and evening students played a very important part in the success of this campaign.

- Day students were organized - called people served in car pools

- Five things that are most important in passing an issue:
  1. Extension students can offer vital support
  2. Day students can be organized to function very well
  3. Organize adequate financing
  4. Organize faculty and staff to talk with people and meet with community citizens and secure their support
  5. Very important to work closely with county officials - commissioners, sheriff, others who know the precincts and who will support the issue

- Newspaper support essential - would not want to try to pass an issue without the news coverage - even though it was not listed in the above five important things, this should be considered as one of the more important factors in successfully passing an issue.

- Speakers' bureau was organized, composed of all professional staff and faculty. These people spoke to Home Demonstration Clubs, ministers' groups, farm groups, civic clubs, and anywhere else they could promote the program

- Board members were not actively involved - solicited help of lay people in the community

- Secured names and addresses of precinct leaders and asked their support. This was a tremendous help and most leaders supported the issue

V. Dr. J. F. Hockaday, President
Central Carolina Technical Institute
Sanford, North Carolina 27330

- Had one bond issue in 1962
- Had another bond issue in 1973
- President was not there for first election, but was for last
- Both successful
- First - 60% of people for - amount $600,000
- Second - 78% of people for - amount $300,000
- Held in fall - along with general election
- Second - separate ballot - held in March 1973
- Feels that it is best to have separate from other issues - only those who feel strongly for or against will come to the polls
- Newspaper supported issue
- Spot announcements on radio (commercial) - also used campus radio for spot announcements, using trustees, students, and public relations
- Radio had good effect on housewives who have taken extension courses, this was about the only contact radio announcing made
- Issue increased taxes about 5%
- Population of county 32,000
- Present tax rate is .91
- Tax increase had no effect the second time, but feel that it would definitely have big effect this time should another issue be necessary
- Trustees were actively involved - a board member and county commissioner were present at all meetings, along with the president of the college
- President always presented the facts, having been introduced by a member of the board of trustees
- Feels it is very important that board member be present at all presentations
- Students hauled voters to the polls

- Contributions amounting to $5600 - $2000 was used to furnish transportation for voters - impossible to pass any kind of election in this particular county without money - this is normal trend - cost for each vote - approximately $1

- Raining day of election - students worked with umbrellas at every polling place - exhibited very friendly attitudes - did a lot of telephoning - students donated their time all day on Saturday

- Important things to remember in passing issue -
  1. Reach your voters through the continuing education department - visit all classes - send letters to every student who has ever taken a class in the C. E. area during the past five years
  2. Political structure -
     a. seek definite help from county commissioners - ours carried voters to the polls
     b. Get definite committment from commissioners
  3. Seek support of public schools
     a. Superintendents supported our issue - mailed letter to every teacher stating why they supported the issue and asking teacher's support also, stating that "if this one passes it will make it easier for us to pass one."
  4. Develop a check list - every move was approved before it was made
  5. Develop a slide presentation - discovered that more groups not normally worked with are most important - work in rural areas - solicit the support of your GED students - visit the communities in your shirt sleeves - never wear a coat and tie - relate to the people - always take appropriate people with you, administrators sometimes, board members always, along with president - students sometimes

- Solicit support of lay people who have participated in classes - this sort of people - no others

- Work on an informal basis

- Ask each student to be responsible for 10 votes (curriculum students)

- Out of approximately 3,500 registerd voters, 2,800 voted for the issue with 700 voting against

VI. Dr. William E. Taylor, President
Technical Institute of the Alamance
Burlington, North Carolina 27215

- Had two bond issues
- Both passed two to one
- First one passed with 78% margin - second passed with 79%
- Both issues were for $2,000,000
- State furnished $876,000 - borrowed $125,000 from Randolph Tech
- One issue held on February 14, 1972 in a special election
- Issue held alone
- Second one November 1972 - general election
- Not a whole lot of difference in having one by itself or with the general election if there is no major issue involved
- Were very successful in both issues - actually have no opinion on what time is best for an election
- Both elections were planned on an entirely different format- first one, notified all students who were in the Continuing Education program - second one, students were involved more than the first - had two almost different campaigns - came up and opened bids and found thay were $2,000,000 short, 1.9 million to be exact. We then had to ask the county commissioners if they wanted to take a whole wing off of the building or go ahead and try to have another bond issue. Commissioners decided to go ahead and accept bids - if bond issue does not pass they would pay for it. We passed another issue with bids already accepted under the second go-round. Quite unusual
- First issue did not increase taxes - had federal grant to offset the increase
- Second time - not sure of increase but somewhere from 0 - 5% - Even though the bond issue raised taxes president feels it would not hurt them should they decide to have another issue
- Second issue - lady on board of trustees who was a real strong leader accepted the responsibility of the campaign. This issue was completely organized and carried out under her supervision. All 29 precincts carried. In first election 26 precicnts carried. She organized from grass roots level right up to the clubs and other organizations in the community. Under the leadership of the board members, representatives of the faculty, and other staff

members, the campaign was effectively carried out. Students were involved actively, also. Twelve telephonee were brouaht in two weeks before the election and the students manned these telephones and using extension cards, contacted many people. The extension data cards were very helpful

- Five reasons why our issue passed are:
    1. Image of the president in the community - feel this is as much the reason for passage as anything else
    2. Committment from county commissioners, legislators, and other influential people in each community
    3. If there is active opposition, try to settle it quietly before anyone else is involved
    4. Write letter to all continuing education students, sign these letters personally (our institution sent out at least 10,000 of these letters and I signed each one personally)
    5. Organize speakers' bureau - we had help from our local Jaycees the first time - canned presentations were used first time, also

- Had no opinion as to whether he would change any plans in next issue, but felt he would do the same thing all over again

- One supporter supplied institution with valentines and they were distributed to the public schools and students carried them home which helped to support and pass the issue

- Board members were not as active in second issue as the first campaign. Tried to decide whether a person was for or against at that particular time - gave them an opportunity to change their mind by volunteering information if they sought it - this sort of thing gave the institution some idea of whether the issue would pass or fail

- Population of area institution is located in is 100,000

- County manager was very helpful in passing election - he had served on institutions's Board of Trustees before becoming county manager

- President appointed committee who did most of the organizing and planning

- Top management in the business corporations were real supportive of the issue

VII. Paul Johnson, President
Pamlico Technical Institute
Alliance, North Carolina 28509

- Had one bond issue
- Time of issue was winter
- Issue was held alone - definitely believe it should not be held with any other issues
- Newspaper and radio supported issue - they were very cooperative in doing what the institution requested
- Had no extensive campaign
- Feel that best thing to do is announce issue and vote on it before the opposition develops - do not fool around - time most important
- Did a brochure picturing other institutions around ours, leaving a big question mark in the middle of our institution. The question below was "What Are You Going To Do About It?"
- Sent everybody in county a questionnaire - about 10,000 people in county - we mailed out questionnaires to every home asking the people questions about the bond issue and supplying informative answers
- Feel that most important thing to do is to keep opposition quiet
- Issue did not raise taxes significantly, possibly five percent
- Issue was for $150,000
- Only limited involvement of board members - felt they would not be that interested and that active in carrying out the campaign, however, they did support the issue one hundred percent but did not get actively involved
- We had no real active opposition
- Good support from many organizations - one, for instance was the Woman's Club - they called everybody that they felt would vote for the issue and asked their support on the day of voting - they did not call everybody they felt would not vote for the issue
- Did not spend any money hauling voters to the polls
- Timing was considered to be the most important element
- Timing of publicity was also important

- County commissioners supported issue - did not actively beat the bushes
- Had no opposition from the superintendent of schools
- Would not consider having a bond issue if it had to be coupled with another issue - would just wait until it could be held alone
- Planned this issue for nine years before passing it
- Did not organize speakers' bureau, but did visit all clubs personally
- Do not think this issue would hurt chances for another successful campaign even though it did raise taxes
- Students supported issue but did not become actively involved - feel that if we had contacted all the people who had been involved in the school it would have passed automatically
- Did not organize any of the people in the local community
- President called the shots and organized plans - spent $17 on advertising plus postage and mailing - did not spend over $200 total for everything
- Real low keyed until about thirty days before the actual voting time
- Did not write anybody any personal letters
- Did not have any activity during the day of voting
- Would not change procedure if we had another issue
- President predicted within seventeen votes how much the issue would pass
- Location of school almost became an issue, but we managed to hold this down until after the election

VIII. Dr. H. E. Beam, President
Caldwell Community College and Technical Institute
Lenoir, North Carolina 28645

- Had two issues - passed one - failed one
- President has compiled booklet on actual action involved around the bond issue - one after the issue failed - one after the issue passed
- Picked up a lot of valuable material at the NCAE Building in Raleigh - most of this information is used by the public schools
- First issue was for $600,000 - passed
- Second issue was for $1,000,000 - failed - came back eight months later and passed an issue for $800,000
- Actually, institution has had three issues - the first one was when the institution was established
- Time of each issue - first one, spring - second one, spring - third one, December
- Overwhelming - because of fact that twelve candidates for sheriff's office was on same ballot
- Suggestion is to stay away from any other issue at the same time
- December 7th or 8th was date for third issue - held on a ballot with public schools. Choice was to go alone, but commissioners came along at last minute and added public schools - we had no choice
- Radio and newspaper can be very important
- Board should take a very strong position - this is a political issue - should be handled just like any other election - board supported - went out and tried to sell to precinct chairmen to begin with. They felt that it should be handled just like any other political issue - and admitted that it really was a political issue
- Cannot say if it really raised taxes or not - had a re-evaluation and base was so much higher that it would be impossible to determine. Bond issue for public shcools was also tied in with technical institute and community college - if taxes were raised it was probably in the range of five percent, probably much less, maybe 1.56 per tax dollar
- Population of area - 58,000
- Lots of industry

- Feelings are now that anything that would increase taxes would fail - would not attempt bond issue at the present time - many people are quite realistic in that our tax base is low in comparison with other states

- Board members were actively involved - had various assigned tasks - made speeches and this sort of thing - two members did most of work - attended key political meetings, etc.

- Students used to some extent - we tried to convince them of the need for passing the issue and asked them to then convince their parents, primarily

- Did organize for this - cannot say to what extent the students really worked in relaying this message to their parents

- First time - had people working at the polls

- Last time - did not have anyone at the polls - not too convinced that this sort of thing really helps - or hurts for that matter

- Things that helped to pass the issue are:
    1. Selection of key people to head up organization and planning - use non-institutional people, but those closely connected with the institution
    2. Fact that it was admitted that this was a political issue and it was then treated as such - non or bipartisan for the most part
    3. Committment from both Democrat and Republican parties
    4. Firm committment from county commissioners
    5. Firm committment from civic clubs
    6. Firm committment from other organizations - Jr. Woman's Club, Jaycees, Civitan, others - positive endorsement if it is available

- Used telephone system - divided voter registration list up and calls were made asking their support - this was done during the last three days of the campaign

- Things that made the issue fail are:
    1. Poor timing
    2. Community not being convinced of need
    3. Being tied to another issue
    4. Over estimating support

- Organized speakers' bureau composed of board members, principal administrators

- Outline of basic information used by everyone

- Local lay people were not used extensively - organized 20 committees - maybe contacted some few individuals, but did not use committees in a formal way

- Advertising - one board member was a finance man - secured someone in a major industry to serve as co-chairman along with him - the two of them raised about $4,000 outside money - still have $2,000 to $2,500 left

VIIII. Dr. Edward W. Cox, President
Piedmont Technical Institute
Roxboro, North Carolina 27573

- One issue - November 1974
- Issue for $2,500,000
- Passed in thirteen out of fourteen precincts - 71%
- Population of community 28,000
- Time of year was discussed by board and president - decided to go along with general election and get voters to the polls
- Actually no good time - any time has advantages and disadvantages
- Time is best if there is no other election, particularly involving money
- Choice of a good time would definitely be alone - but if a good turnout is needed, the presidential or state election would be a good choice
- Volunteer persons hauled voters to the polls
- Organized students
- Telephones were used
- Door to door canvass was made by faculty volunteers - talked with parents and people - gave them a good chance to be seen by people in the community and show their enthusiasm - this was a very important factor
- Churches in community supported the issue - notices in their bulletins seeking the support of their membership for the institution
- Both political parties were very supportive although politics did not play a big part
- Radio, TV, newspaper, supported the issue - an organized campaign which was supported by local industry and business paid for advertisements
- $6,000 was contributed by this group of people - strictly volunteers
- President tried to be aware of local news releases and of what was going on in the community - tried to decide ahead of time

if he would ask this particular thing or wait until next week

- Local radio and newspapers both endorsed ths issue - newspapers wrote editorials

- Feel that issue would pass even though the local newspaper was against it and non-supportive

- Taxes were raised, at least not enough for the general public to be aware of it - definitely less than five percent - went to commissioners prior to election and talked about the fact that taxes could possibly be raised as a result of the passing of the issue - they did not anticipate any increase - Carolina Power and Light pays over fifty percent of taxes - they supported the issue 100% - from all indications it appeared that taxes would not be raised - public schools were being retired at that time

- Board of Trustees were involved on an informal basis - they did not call day to day shots

- Had no organized opposition - if so, they did it undercover

- Had no indication before hand that election would be successful - but felt good about the whole situation

- Even though president was well-liked in community, did not feel that people would vote for issue just because of him - felt that our situation was that we were not doing some things that should be done and that we would really have a hard time passing our issue - selling it to the people

- Students deserve major credit for passing of issue - president talked with both day and night students and told them that the success of the whole campaign would be because of their help and support - they knew this ahead of time - was also blunt enough to tell them that if it did not pass it would be because of them - that gave them the incentive to work harder and not take it lightly - put success or failure right back on the students - this is very important

- Five things that helped to pass the election are:
    1. Students - extension classes were very active - literature was distributed, defended institution - gave correct information in many cases where incorrect information had been presented - tried to give everybody the same information - passed out leaflets - used outline
    2. Media coverage - developed thirty-minute television program - had "open house" for media

3. Faculty and staff - worked hard to support the issue - but passing of issue was because of students
4. Church groups and other organizations real, real important - particularly churches - both black and white - architects played no part in passing of issue
5. Used speakers' bureau - also had support of public schools - superintendent sent letters to all staff members - everybody - about the issue being one of critical need

X. Dr. William D. Killian, President
Blue Ridge Technical Institute
Flat Rock, North Carolina 28731

- Had one issue
- $250,000
- May, 1969
- Same time with hospital and public schools
- All three issues passed
- Felt that it should be held along with another issue in the county because it would help to get the people to the polls
- No opposition
- Radio and newspaper supported issue
- On same ballot 5¢ tax levy - also passed
- Felt increase in taxes would not hurt when another election comes around
- Board of trustees were not really involved - students were not involved - simply because this was for the initial establishment of the institution
- No organized opposition
- Community supported issue - really felt a definite need for the technical institute
- Well organized speakers' bureau made up of leaders in the community that supported the issue - doctors, business men and women, and school officials
- Media contributed their services for the bond issue

Letter of Appreciation to Ten Presidents

Appendix B

Letter of Appreciation

The following letter of appreciation was sent to the ten presidents who participated in the foregoing interviews.

MEMO TO:	Selected Presidents of Technical Institutes and Community Colleges
FROM:	James B. Petty
SUBJECT:	INTERVIEWS ON BOND ISSUES

Thank you for taking time to talk with me at our Presidents' Meeting in Burlington. I am enclosing a copy of our interview on Bond Issues. If there are corrections you wish to make, please let me know.

Memo to:
- Dr. Gerald James, Rockingham Community College
- Dr. Howard E. Thompson, Wilkes Community College
- Robert E. Paap, Catawba Valley Technical Institute
- Joseph H. Nanney, Richmond Technical Institute
- Dr. J. F. Hockaday, Central Carolina Technical Institute
- Dr. William E. Taylor, Technical Institute of the Alamance
- Paul Johnson, Pamlico Technical Institute
- Dr. H. E. Beam, Caldwell Community College and Technical Institute
- Dr. Edward W. Cox, Piedmont Technical Institute
- Dr. William D. Killian, Blue Ridge Technical Institute

HANDBOOK FOR CONDUCTING CAMPAIGN
FOR
BOND ELECTION

by

James B. Petty

Appendix C

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HANDBOOK FOR CONDUCTING CAMPAIGN FOR BOND ELECTION

INTRODUCTION

The bond issue which registered voters of Cleveland County have been asked to vote on is critically important to the continuing growth and development of Cleveland County Technical Institute. A favorable decision on this vote will require a major effort by all supporters of the institution. A master plan is needed to guide the overall promotional effort of the Steering Committee. This document is designed to provide the needed guidance.

Preplanning and Coordination

The first step is determining that an election is necessary. Unanimous trustee accord on the proposal is almost essential. Open opposition by one trustee may cause the campiagn to fail.

Coordination of the proposal with public school and county financial officials is an essential element of preplanning.

Organizing for the Campaign

The Steering Committee will serve as the overall planning committee, with advisory help from a select group. This group will be selected from among leading employees of the institution. Approximately twelve persons will be asked to serve on the committee.

The institute staff will perform much of the leg-work such as preparing materials and accumulating data. While workers within the overall plan, institute personnel also will carry out many campaign assignments under the guidance of the Steering Committee.

The Steering Committee's task of making effective use of individuals and groups in the planning process involves the following:

(1) Selecting and inviting community leaders to serve on a Citizens' Advisory Committee. The invitation should include information about the proposed campaign along with a summary of known needs. Personal contacts should be made before a letter is written requesting their support.

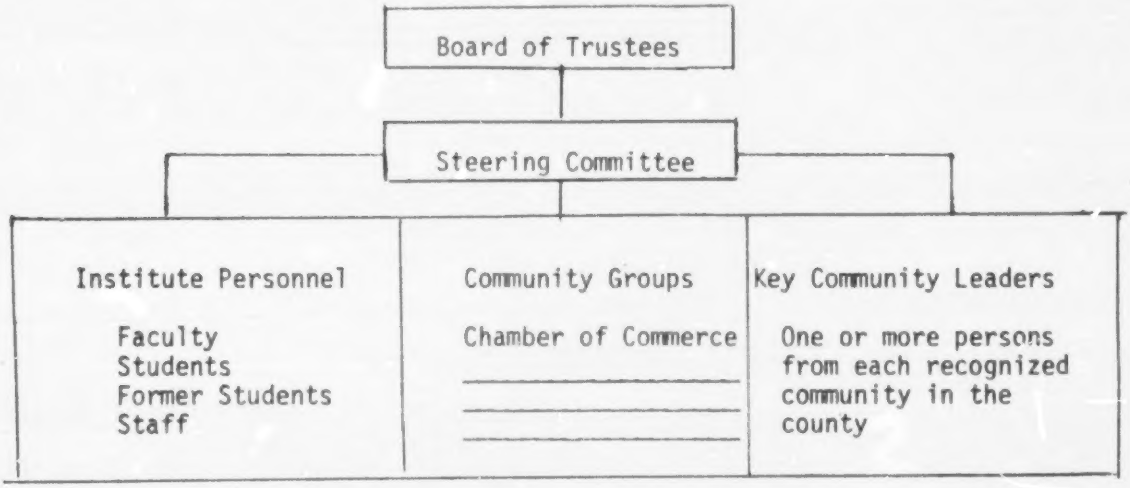
(2) The Steering Committee will select persons to serve as chairmen of committees of the several campaign components.

(3) Community organizations and civic groups will be enlisted to perform special campaign activities.

(4) Institute personnel will carry out numerous support tasks and promotional activities.

The organized structure for promoting the campaign might be illustrated by the following diagram.

Organizational Structure to Promote Campaign


Board of Trustees
Steering Committee
Institute Personnel
Faculty
Students
Former Students
Staff
Community Groups
Chamber of Commerce
Key Community Leaders
One or more persons from each recognized community in the county

Timetable for Planning

One month before election date the Steering Committee should have all planning details complete. Citizens' Committee should be selected and enlisted. Key community leaders should be identified.

One week later - Meet with Citizens' Committee and complete details for promoting the campaign. Action starts here. Basic data should be available by then. Train volunteers.

Week-by-week until election - Steering Committee meetings as needed, probably weekly; keep in touch with Citizens' Committee members, community leaders, and subcommittee chairmen.

Action should be timed to move into high gear 7-10 days prior to election with emphasis being given to radio and newspapers during the last 3-4 days before the election.

Overall responsibilities which the Steering Committee will assume during the campaign include the following:

1. Preparing an overall budget for the campaign
2. Preparing a timetable of campaign action
3. Determining the theme and strategy for the campaign
4. Directing the publicity campaign
5. Organizing and directing the Speakers' Bureau
6. Organizing institute personnel for action
7. Organizing and directing the person-to-person canvass

The Citizens' Committee

The Citizens' Committee should be composed of a broad cross-section of the county's leadership, including persons representing businesses, civic clubs, industries, labor, religion, women, patriotic groups, agriculture, and both political parties.

The Committee should be emphasized throughout the campaign. Committee members should be contacted personally before a letter is written asking their endorsement and participation in the campaign.

The Committee and its purposes should be publicized when selected. Members should consent to the use of their name as sponsor for campaign statements.

The Steering Committee is responsible for the organization of this committee.

The Institute Staff

In order to facilitate activities of the Steering Committee, the institute staff will (1) prepare materials and information about the institute, (2) enlist support of organizations of which the staff is a part, (3) organize a postcard or letter campaign, (4) buttonhole individuals to enlist their support, (5) write letters to former students and seek their support and participation in the campaign, (6) prepare charts, tables, and graphs which provide campaign workers with accurate, consistent information, (7) prepare the campaign manual which contains facts and details needed by workers, and (8) prepare drafts of radio comments, news articles, advertisements, display materials, case histories, and speech materials.

Ideas for Implementing Campaign Activities

The general campaign should begin months before the election date with general stories related to the need for a bond election. Every effort should be made to provide citizens with facts which will enable them to make intelligent decisions.

Numerous ideas have been collected from various sources for effectively carrying out the election campaign. These ideas are outlined in the following paragraphs.

THEME. Sell the community on the need of students. Use a frank but not combative approach. Try to avoid the defensive. Answer questions in a positive manner based on precise statements of fact. Voters need to be persuaded, not pushed. A decision must be made on how to appeal to voters. Emphasize only a few major points. Do not cloud the issue with minute details. Cost should be discussed only after need is established.

SPEAKERS. A brief basic outline should be prepared for speeches. Answers should be prepared for anticipated questions. Campaign literature should be prepared for audiences. Select rather than ask for volunteer speakers. Speakers should be prepared for varying length speeches. The Steering Committee should arrange dates and schedule speakers. Resolutions should be prepared for groups to adopt. If appropriate, have some member of the group introduce the resolution. Action should be given good press coverage. Interviews and discussions are more effective than speeches on the air. Seek out people with a good radio voice for radio promotional activities.

PUBLICITY. Intensify effort and argument for the proposal during the last few days of the campaign. Make use of photographs and illustrations to liven up stories. Make a few major points with emphasis on all publicity possible. Repeat the major theme in a variety of ways. Run most of the advertisements during the last week of the campaign. Possibly close out campaign with an advertisement displaying list of community leaders urging a favorable vote telling why.

Concentrate the radio spots during last few days. If a television station is available in the area, taped presentations could be presented several weeks prior to the election.

Printed material should include the main campaign folder, letters and post cards, weekly facts and progress sheets to groups, slips and inserts for store packages, inserts to be mailed with monthly billings, bumper or windshield stickers, outdoor and window ads, reminders to be mailed to homes of students and former students.

The general folder should be fairly compact; be student-centered, consist of two pleasing colors if possible, cover that which arouses curiosity, present pleasing pictures if possible, have fairly large type except for data, emphasize major points, use only simple graphs or charts, use simple, short trigger words, have warm and friendly appeal with reader addressed to you.

Consider writing letters of appreciation for support prior to election. Don't forget social group publications and newsletters.

DOOR-TO-DOOR CAMPAIGNS. The most effective way to communicate is face-to-face. The campaign should be well organized possibly along the following lines: (1) select a general chairman, (2) divide county into communities, (3) select subchairmen in each community, (4) recruit persons to make contacts in each community with each person responsible for making ten to fifteen contacts, (5) organize large or several small meetings to acquaint workers with details of proposal, (6) aim at three contacts - first one ten days prior to election, second one two or three days before election to favorable voters, third visit on election date to favorable voters, (7) assign persons to polls to determine if "yes" voters are turning out.

Try to eliminate number of votes to be cast. Then estimate the number needed to win, and assign quotas to each subchairman. House-to-house workers should be instructed on what to say - very brief comment about proposal and request for support, plus leave general folder concerning the bond issue.

QUESTIONNAIRES AND SURVEYS

The following opinion poll, used recently in Cuyahoga Falls, Ohio would be of help to a Board of Trustees in making a decision on having a bond issue. Some changes have been made in this survey to adapt it for a community college or technical institute.

1. Where do you get most of your information about Cleveland County Technical Institute? For example, do you get it from:

    1. ____Newspapers
    2. ____Neighbors and/or friends
    3. ____Co-workers
    4. ____Students
    5. ____Radio
    6. ____School sources, such as Lay Personnel Advisory Meetings
    7. ____Other (please specify)

2. Do you think that Cleveland County Technical Institute is efficient in the respect that it gives its students a dollar's worth of education for every dollar it spends?

    1. ____Yes
    2. ____No
    3. ____Don't know

3. What sort of job do you think Cleveland County Technical Institute is doing in educating its students? Do you think it is doing:

    1. ____An excellent job
    2. ____A good job
    3. ____A better-than-average job
    4. ____An average job
    5. ____A poor job
    6. ____Don't know

4. Does Cleveland County Technical Institute spend money in any areas where you think it should not spend it?

    1. ____Yes
    2. ____No
    3. ____Don't know

5. (If answer to No. 4 is yes) Would you tell me one of the areas?

    1. ____

    ____

6. Were you able to find time to vote in the past two elections when the $250,000 bond issue was defeated?

   1. ____Yes
   2. ____No
   3. ____No reply

7. Because of the failure of that bond issue, the Board of Trustees has cut back many programs. Do you feel that the institution can offer a good education to you despite these cuts?

   1. ____Yes
   2. ____No
   3. ____Don't know

8. What do you feel is the most important reason why the two previous bond issues failed?

   1.____

   2. ____

9. Do you feel that the Board of Trustees should hold another special election before the voters again?

   1. ____Yes
   2. ____No
   3. ____Don't know

10. If the Board did hold a special election, would you be inclined to vote for or against the bond issue?

    1. ____For
    2. ____Against
    3. ____Don't know

11. 1.____ Male   2. ____ Female   3. ____ Precinct

12. Is your age between:

    1. ____ 21 and 30
    2. ____ 31 and 40
    3. ____ 41 and 50
    4. ____ 51 and 60
    5. ____ 61 and 70
    6. ____ Over 70

13. Have you ever attended Cleveland County Technical Institute?

    1. ____ Yes   2. ____ No

HOW TO EVALUATE YOUR REFERENDUM PLANNING

A 39-question check list developed by Harvey D. Hirsch is a good starting point to use in determining the success or failure of the proposed bond issue. Changes have been made in this check list to be used by Cleveland County Technical Institute and could be adapted for use by other community colleges or technical institutes in North Carolina and other states in analyzing the results of a bond issue.

GETTING READY

		Yes	No
1.	Has a small group of people been given the responsibility of planning the referendum?	___	___
2.	Have the responsibilities of this group been defined clearly?	___	___
3.	Does the group include representatives from all important segments of the institution?	___	___

ASSESSING NEEDS

4.	Have institutional needs been assessed carefully?	___	___
5.	Have current and projected district performance been compared with the district's educational objectives?	___	___
6.	Have planners dealt concretely, authoritatively and dispassionately with the issues, like academic excellence, that are sometimes impossible to quantify, usually difficult to document, and often charged with emotion?	___	___
7.	Have the results of the assessment of needs been discussed with all community groups to generate input and to foster agreement?	___	___

ANALYZING COMMUNITY AND INSTITUTION

8.	Have the community and institution been systematically analyzed to determine whether the district can or should attempt to satisfy the needs and if so when and how?	___	___
9.	Have valid and reliable attitude surveys been conducted?	___	___

10. Have economic reports been reviewed? ___ ___

11. Have records from previous campaigns been studied? ___ ___

12. Have the district's opportunities and constraints related to satisfying district needs been identified? ___ ___

13. Have planners recognized that the community is not a homogeneous unit, but rather a composite of distinct individuals? ___ ___

14. Can a sufficient number of people talented enough to do the campaign be found to cooperate on the effort? ___ ___

SETTING OBJECTIVES

15. Have realistic objectives - short steps along the road to satisfying the needs - been set? ___ ___

16. Are the objectives specific, measurable and scheduled? ___ ___

17. Have planners gotten agreement on the proposed objectives from key groups in the community? ___ ___

DEVELOPING STRATEGY

18. Have strategies - statements of WHEN and HOW objectives are to be accomplished - been developed? ___ ___

19. In developing strategy, have planners assessed and selected alternatives? ___ ___

DETERMINING TACTICS

20. Have tactics, techniques and activities been set so that they fully implement the strategy, if they are all performed exactly as stated? ___ ___

21. Do the tactics, techniques and activities describe what is to be done in detail sufficient to ensure the understanding of the staff which will eventually carry them out? ___ ___

22. Are backup administrative support and coordinating efforts identified? ___ ___

23. Are the tactics, techniques and activities written down and agreed to by all key people? ___ ___

ASSIGNING RESPONSIBILITIES

24. Have like or related activities been grouped into one man's job? ___ ___

25. Have activities requiring similar talents, skills or experiences been grouped together? ___ ___

26. Are job duties grouped in such a way that the job holder can perform an additional activity in his area more easily or effectively than others in the organization? ___ ___

27. Would the addition of an activity decrease the need for communications or coordination among staff? ___ ___

28. Does the final grouping constitute a "full" job? A satisfying job? An accomplishable job? ___ ___

29. Have the responsibilities related to each job been written down so that unclear communication is avoided? ___ ___

ORGANIZING

30. Have similar jobs been grouped together under a common supervisor if necessary? ___ ___

31. Has the plan of organization been designed to facilitate communications and coordination? ___ ___

32. Has the guiding principle been: "Organize for results"? ___ ___

STAFFING

33. Have staff been selected for their enthusiasm, their skill, their time, their prestige? ___ ___

34. Have enough dedicated people been recruited? ___ ___

35. Are members of all key community groups represented on the staff? ___ ___

DEVELOPING CONTROLS

36. Is there a plan that provided for campaign

management being kept aware of what is working well and what is not, as the campaign unfolds? ___ ___

37. Is campaign management reviewing performance frequently enough to permit corrective action when it becomes clear that effectiveness is threatened? ___ ___

38. Is performance measured against the written statements of tactics, techniques, and activities? ___ ___

39. If a variance between actual results and expected results is noted, is prompt decisive action taken by the proper people? [1] ___ ___

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[1] Harvey D. Hirsch, "How to Evaluate Your Referendum," School Management, Vol. 89, No. 2, February, 1972, pp. 59-60.

THINGS TO REMEMBER IN PLANNING A BOND ISSUE

1. People usually support specific building programs and not necessarily the total institutional program in a bond issue.
2. The kind of leadership is important in influencing a positive vote by the people.
3. The Steering Committee's prestige with the people plays a vital role in influencing a positive atmosphere.
4. Well-informed representatives of the institution and selected volunteers are very important.
5. Specific jobs should be assigned to selected individuals at the beginning of the campaign and a check list should be made by the Steering Committee that specific assignments are being carried out on a satisfactory schedule.
6. Specific goals and objectives should be set and each worker should be committed to carry out his or her assignment.
7. A well-organized plan of action within a set time period should be conducted in an atmosphere of optimism.
8. An overall campaign budget should be set and adhered to throughout the entire bond issue campaign.
9. Above all the entire campaign is a public relations operation from the start to the finish regardless of success of failure of the bond issue.
10. A bond issue is a two-way conversation between voters and institutional personnel.
11. The most successful school election campaigns are long-range. None are planned in a "fly-by-night" fashion.
12. Successful elections begin with specific plans to identify and

locate affirmative voters within the district.

13. The best single indicator of how a person will vote in the next school bond election is how he voted in the last election.
14. What people think is happening during the nine months preceding an election is more likely to influence a voter than a 12-week campaign period.
15. Rely heavily on newspapers during the campaign period for their support of the issue.
16. Locate your opponents and neutralize their opposition by involving them in institutional affairs before you ask them to vote for school measures.
17. Avoid placing bond elections on state and national primaries and general election ballots whenever possible.
18. The campaign committee should always be accountable to the president of the institution.
19. Make good use of active and competent women on the Steering Committee.
20. Don't make the mistake of treating all voters alike. Every voter is a different individual and their difference should be respected.
21. The Board of Trustees should be 100 percent in favor of the issue.
22. Faculty members can be most effective in speaking out in support of a bond election.
23. Distribute "official" school publications to all students during the campaign.
24. Plan your strategy early and stick to it. Your campaign should be based on your assessment and plan of action, not your opponents.

The following is a list of materials that should be used by the different committees in promoting the bond campaign:

sheet billboard posters
1-sheet and 2-sheet billboard posters
inside and outside bus cards
inside and outside flags
streamers
constructive displays
shields
window cards
counter cards
bumper stickers
banner
pennants
window stickers
car plates
table of free-standing exhibits
backboard for coin cans
pledge forms
theatre or dinner tickets
trust agreements
place mats
name tags
merchandise to sell
rummage
business reply envelopes
building posters
postage meter ad slugs
balloons
emblems
insurance forms
lapel buttons
identification tags
plaques
marked items of clothing
charts
slides or telops
receipts
membership cards
pamphlets
flip charts
drop-in mats
photographs
electro cuts
magazines
graphs
collection envelopes
cancellation stamps
slogan or symbol stickers or decals
bonds
tape recordings
coin cans
brochures
booklets
newspapers
mats
repro proof sheets
annual reports
records
labels for coin cans
scrolls
badges

The use of any or all of the above listed materials is determined by the methods to be used. In a mass appeal to a "cold" audience, a simply designed throw-away could be effective; in approaching a foundation for money it is necessary to document more thoroughly the goals, needs and programs of the agency as well as the people administering the institution and its relationship to the rest of the community.

NORTH CAROLINA STATE LAWS AS THEY RELATE TO THE BOND ISSUE

The following excerpts are taken from the handbook "Public School Laws of North Carolina 1974" relating to school bond elections for community colleges:

Article 3
Financial Support

115A-18. State financial support of institutions. (a) The State Board of Education shall be responsible for providing from sources available to the Board funds to meet the financial needs of institutions, as determined by policies and regulations of the Board, for the following items:

(1) Capital Outlay: Furniture and equipment for administrative and instructional purposes, new library books, and other items of capital outlay approved by the Board. Provided, the State Board of Education may, on an equal matching-fund basis from appropriations made by the State for the purpose, grant funds to individual community colleges and technical institutes, including those converted from industrial education centers, for the purchase, construction and remodeling of institutional programs or administration of such institutions. For the purpose of determining amounts of matching State funds, local funds shall include expenditures made prior to the enactment of this Chapter or prior to an institution becoming a community college or technical institute pursuant to the provisions of this Chapter, when such expenditures were made for the purchase, construction, and remodeling of institutional buildings subsequently determined by the State Board of Education to be necessary as herein specified, and provided such local expenditures have not previously been used as the basis for obtaining matching State funds under the provisions of this Chapter or any other laws of the State.

115A-19. The tax levying authority of each institution shall be responsible for providing, in accordance with the provisions of 115A-20 or 115A-21, as appropriate, adequate funds to meet the financial needs of the institution under the authority of this chapter in connection with the establishment of an institution shall be paid out of the general fund of the county or counties which shall conduct such elections. All special elections held on behalf of a duly established institution shall be paid by such institution and the expenses may be included in the annual institutional budgets. (1963, c. 448. s. 23)

115A-25. Authority to issue bonds and notes, to levy taxes and to appropriate nontax revenues.- Counties are authorized to issue bonds and notes and to levy special taxes to meet payments of principal and interest on such bonds or notes and to levy special taxes for the special purpose of providing local financial support of an institution and otherwise to appropriate nontax revenues for the financial support of an institution, in the manner and for the purposes provided in this chapter.

Taxes authorized by this section are declared to be for the special purpose and may be levied notwithstanding any constitutional limitations or limitations imposed by any general or special law. (1963, c. 448, s. 23.)[2]

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[2] Public School Laws of North Carolina 1974, issued by the State Board of Education. Virginia: Charlottesville, The Miche Company, 1974, pp. 215-216-220.

The following calendars, schedules, letters, etc. are sample copies indicating the nature of legal proceedings to be followed in the normal course of a bond issue. Dates shown are to indicate time span between the various proceedings and are not necessarily those to be used in an actual implementation.

SAMPLE OF MINUTES OF CALLED MEETING OF BOARD OF TRUSTEES TO DETERMINE WHETHER OR NOT TO REQUEST COMMISSIONERS TO CALL FOR VOTE OF PEOPLE ON BOND ISSUE

Cleveland County Technical Institute
Called Meeting
January 31, 1969

TIME AND PLACE OF MEETING

A called meeting of the Board of Trustees of Cleveland County Technical Institute was held on Friday, January 31, 1969, in the lobby of the Charles Hotel, Shelby, North Carolina, at 12 o'clock noon.

ROLL CALL

Harry Matthews, presiding, John Schenck, III, Spurgeon Hewitt, C. G. Poston, Cecil Gilliatt, Walter B. Thomas, Ex Officio, and Malcolm Brown, Ex Officio. Mark Longcrier, reporter for The Shelby Daily Star, was also present for the meeting.

J. E. Herndon, Jr., J. D. Ellis, and J. F. Cornwell, Trustees, were absent. Don Jones, Ex Officio, was also absent.

BUSINESS

The purpose of the meeting was to decide whether or not to request the Board of Commissioners to call for a vote of the people on the bond issue and tax levy. Mr. C. G. Poston made a motion that the Cleveland County Technical Institute Board of Trustees request the commissioners to call for a vote of the people in order to levy taxes not to exceed an annual rate of 5 cents per one hundred dollars ($100) of assessed property valuation, for the financial support of Cleveland County Technical Institute; and for a special levy of an eight hundred fifty thousand dollars ($850,000) bond issue for the establishment of a new campus for Cleveland County Technical Institute. Mr. Gilliatt seconded the motion and it was unanimously approved by the Board.

ADJOURNMENT

The group was invited to stay for the Rotary luncheon as guests of Mr. Petty. There being no further business the Board adjourned.

/s/ J. E. Herndon, Jr. /s/ James B. Petty, secretary [3]

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[3] Official minutes of the Board of Trustees, Book 1, January 31, 1969, pp. 24-25.

SAMPLE OF FORMAL REQUEST TO COUNTY COMMISSIONERS REQUESTING BOND ELECTION

The Cleveland County Technical Institute Board of Trustees request an election on the question of approving authority of the Board of Commissioners to appropriate funds from non-tax revenues and/or a special annual levy of taxes. The ballot furnished the voters in Cleveland County would be worded similar to the following:

> That the question of approving authority to appropriate funds and/or to levy special taxes for an eight hundred fifty thousand dollars ($850,000) bond issue for the construction of classrooms and additional needed facilities at Cleveland County Technical Institute.

The Board of Trustees of Cleveland County Technical Institute requests that this issue be voted on at the same time the election is held for the public schools.

Respectfully submitted,

Cecil L. Gilliatt, John F. Schenck,III, H. Eugene LeGrand, C. G. Poston, Carl J. Dockery, Jr. Mrs. Betty M. Roberts, Mrs. Lou Barrier, James F. Cornwell, Donald L. Parker, Ralph Dixon, Richard G. Kelly, and Jerry C. Ausband.

/s/ James B. Petty, Secretary

TENATIVE CALENDAR OF EVENTS

(Prepared by Building Committee of Board of Trustees)

1. Week of February 16 -

   John Schenck, III, Chairman of Building Committee, Eugene LeGrand, committee member, and James Petty, president of Cleveland County Technical Institute to meet with Jack Palmer, Jr., Chairman, Cleveland County Board of Commissioners, and Joe Hendrick, County Manager, to discuss the possibility of approaching the full board of commissioners requesting $15,000 to be used for the initiating of a bond issue for additional facilities for Cleveland County Technical Institute.

2. At the next formal meeting of the Cleveland County Board of Commissioners, a request will be made for the above mentioned $15,000 by Mr. Schenck, Mr. LeGrand, and Mr. Petty.

3. Weeks of March 15 through June, 1976 -

   This period of time will be used by the architect for planning.

4. Week of June 1 -

   Cleveland County Commissioners will be brought on the campus of Cleveland County Technical Institute to tour facilities and asked to formally endorse a bond issue for the institute.

5. Weeks of July -

   This time will be spent in seeking support of bond issue from County Commissioners and requesting that County Commissioners plan to include in their budget funds amounting to $250,000 to match State funds already appropriated. This $250,000 will be budgeted over a two-year period.

6. Fall -

   The fall season will be used to schedule and plan for the implementation of the actual bond issue when the people of Cleveland County will be asked to vote "yes" for additional facilities at Cleveland County Technical Institute.

CALENDAR OF VARIOUS STEPS TO BE TAKEN TO PROVIDE FOR THE AUTHORIZATION OF BONDS AS FURNISHED BY THE BONDING ATTORNEY AND THE LOCAL GOVERNMENT COMMISSION

September 2	Proceedings of Board of Trustees of the Cleveland County Technical Institute.
September 2	Proceedings of Board of Commissioners in introduction of bond order.
September 3 and 10	Publication of Notice of Intention.
September 3	Publication of bond order as introduced and printing of absentee ballots.
September 14	Filing of application with Local Government Commission.
September 14	Holding of public hearing, final passage of bond order and passage of resolution providing for the submission of the bond order to the voters at the general election.
September 15 and 22	Publication of bond order.
September 15, 22, 29 and October 6 and 13	Publication of election notice.
September 19	Opening of registration books.
October 24	Closing of registration books.
October 31	Challenge day.
November 3	Election.
November 5	Canvassing of election returns by County Board of Elections and Board of County Commissioners.

SAMPLE OF APPROVAL AND AUTHORIZATION OF BONDS BY BONDING AND LOCAL ATTORNEYS

A typical calendar of proceedings for the issuance of school bonds in North Carolina is as follows:

BOND APPLICATION		BOND ORDER	
Action	**Time**	**Action**	**Time**
Make preliminary contact with Local Government Commission; hold preliminary conference. Bd. Trustees, C. Com. p. 8.	After county and trustees have determined there is a need for project and for bond financing.	Set tentative date for election, if one will be necessary. C.Commissioners. p. 8.	At about the time preliminary contact is made with the Commission.
Publish notice of intention to make application to the Local Government Commission. (For voted bonds only) G.S. 159-7.1. C. Com. p. 13.	First publication (of two) at least 10 days before making application.	Introduce Bond Order, at mtg. of the Commissioners G.S. 153-78. C. Com. p.15	At or shortly after the time application is made to the Local Government Commission.
		File statement of debt with clerk to board of Com. G.S. 153-83. C. Com., p. 16.	At the meeting at which the bond order is introduced.
Adopt resolution stating need for capital project and transmit to Commissioners, G.S.115-129. p. 13.	Prior to making application to the Local Government Commission.	Set date for public hear. G. S. 153-86,-87. C. Com. p. 16.	After introduction of order and filing of statement, and at least 10 days before hearing.
		Publish bond order and notice of hearing. G.S. 153-87 C. Com.,p.18.	At least 10 days after publication of order.
Make application to Local Government Commission. G.S.159-7. C.Com., p. 13.	At least 10 days after first publication of notice of intent and at least 40 days before date of election.	Hold public hearing. G.S. 153-87, C. Com.p. 18	After hearing (may be on same day.)
		Pass bond order. G.S. 153-87. C. Com.,p.18.	At same time the bond order is passed. Must be within one year after passage of order and at least 46 days after day on which date is set.

Abbreviations:
C. Com. - County Commissioners
C. A. - County Accountant
Clk. - Clerk to County Board
G. S. - General Statutes

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[4] "Issuing School Bonds," North Carolina Local Government Commission, 1972, pp. 8,13,15.

BOND ORDER

Action	Time
Publish bond order. G. S. 153-89. Clk. p. 18.	Twice after passage of the order.
Board of Elections shall:	
A. Publish notice of election	a. Notice published 3 times (or 4) beginning at least 46 days before election.
b. Make available absentee ballots.	b. At least 45 days before election
c. Conduct election	
d. Canvass returns and certify to board of county commissioners	d. On the second day (Sundays excepted) after the election
G. S. 153-95 through 153-99: G. S. 163-226 ff., p. 18.	
Publish statement of election results, G. S. 153-99. C. Com.; Clk., p. 19.[5]	After canvassing

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[5] Ibid, pp. 18-19.

SAMPLE OF LETTER FROM BONDING ATTORNEY AUTHORIZING THE SALE OF BONDS

September 1, 1970

Joseph C. Whisnant, Esq.
Whisnant and Lackey
P. O. Box 145
Shelby, North Carolina

Re: County of Cleveland, North Carolina
$850,000 Technical Institute Bonds

Dear Mr. Whisnant:

We are enclosing six copies of a form of proceedings for adoption by the Board of Trustees of the Cleveland County Technical Institute on September 2; please note that a certified copy of the resolution must be submitted to the Board of Commissioners.

If the meeting is a special meeting, please have any absentee sign an acknowledgment of notice of the meeting in substantially the following form and incorporate such acknowledgment at the end of the first page:

> "___________________, who is not present, has signed the following acknowledgment of notice of special meetings:
>
> > 'I hereby acknowledge notice of special meeting of the Board of Trustees of Cleveland County Technical Institute to be held at the office of said Board in ___________ ___________, North Carolina on September 2, 1970 at ___________ o'clock ___. M., but I am not able to be present at said meeting.
> >
> > ________________________________'"

After the enclosed proceedings have been adopted, please send us two certified copies thereof and send one such copy to the Local Government Commission.

We are also enclosing two copies of a form of Notice of Intention to be published in the Shelby Daily Star on September 3 and 10. After the Notice of Intention has been published, please send us two affidavits with printed clippings attached evidencing such publication. The proposed calendar provides that the application for the approval of the bonds must be received by the Local Government Commission by Monday, September 15, 1970.

G. S. 159-7 provides, in part, as follows: "In any case where the question of issuance of proposed bonds or notes is required by law or the Constitution to be submitted to the voters at an election, such election with respect to such bonds or notes shall not be valid unless the application required herein shall have been filed not later than forty days (Sundays and holidays included) prior to such election." If you have not previously obtained an application form from the Local Government Commission, please do so immediately. An affidavit with printed clippings attached showing both publications of the Notice of Intention must be attached to the application. Please send us a copy of your letter covering the sending of the completed application to the Local Government Commission.

If you have questions concerning the above proceedings, please do not hesitate to telephone us.

With kind regards, we are

Sincerely yours,

/S/Edwards C. O'Boyle, Jr.

cc: Local Government Commission

SAMPLE OF SUGGESTED CAMPAIGN TIMETABLE

Week of:	Activities
Sept. 24.	First Steering Committee Meeting (Media Coverage) Name subcommittees: Finance - - Publicity - - Endorsements - - Speakers' Bureau - - House-to-House - - Block organizations - - Citizens Committee - - Special Emphasis Committee - - Student Advisory - - Faculty - - Handbill and Poster - - Telephone - - Any other.
Oct. 1	Subcommittee Organization and activity: Contact funds sources - - receipt of brochures, local additions to printer - - receipt of green booklets - - prepare question-and-answer sheets, mimeograph - - Endorsements (Media coverage), County Commissioners, Board of Trustees, - - House-to-House Campaign, steps 1 - 5 - - Regional Workshops - - Telephone canvass planning.
Oct. 8	News stories - - speeches (Media coverage) - - Endorsements, civic and professional groups - - Press Packet - - area committee, clock group, kaffeklatsch captains appointed - - House-to-house Campaign, steps 6 and 7 - - Citizens' statements of support (Media coverage) - - Local needs publicity - - Design posters if to be used - - Plan rallies for week before election - - Opinion survey and investigation: Where are the "Yes" voters? - - Plan "spontaneous" letters to the editor campaign (letters should be coordinated but not duplicates - - teachers, parents, students.
Oct. 15	News stories (local schools, needs, history, economic situation) - - Begin advertising and continue plans for rallies week of October 29 - - Distribute brochures, fact sheets and other material to campaign workers (hold back some for last minute use) - - House-to-house Campaign, steps 8 and 10 - - Begin phone canvassing: Find "Yes" voters - - Begin letter writing campaign (to all members of organizations represented on Steering Committee) - - Print posters if to be used - - Kaffeklatsches and block meetings begin.
Oct. 22	Distribution of material (brochures, question-and-answer sheets, posters, etc.) - - Request churches to prepare reminders for October 28 and November 2 services and bulletins - - Plan radio spots or advertising for final week exposure - - House-to-House campaign, step 11 - - Follow-up on endorsements, letter writing - - Arrange for placement of street banners, posters if to be used - - Finalize citizens' rally plans.

Week of:	Activities
Oct. 29	Final Steering Committee meeting (Media coverage) Details and final plans, subcommittee reports, results of canvassing and opinion survey - - Know where the "Yes" voters are and how to convince the possibles - - Tabulate for last minute calling - - House-to-House Campaign, steps 12-17 - - Materials distributed. all gone by Friday. November 2 - - Finalize plans for rallies. weekend and election day - - Rallies. late in week or on weekend - - Media exposure; stories, speeches, ads, radio spots.
Nov. 5-6	Canvassing and last minute phone reminders - - House-to-House Campaign, steps 18-20 - - Last minute newspaper, TV, radio ads - - Block activity, kaffeklatschs - - Handbills and vote reminders - -
Election Day	Reminders to "Yes" voters - - Poll watching if planned - - Headquarters gathering, keeping track of returns - - Hope hard! Don't forget to vote ! ! ! ! ! ! !
Nov. 7-10	Thank-you letters to committees, workers, groups, and individuals involved - - clean up headquarters, remove posters and general restoration.

Summary:

1. Remember that these suggestions are just that, techniques that have worked successfully in previous bond campaigns. Your committee may decide to add different methods and ideas. The local campaign committee should decide what techniques are best for your area, depending on various factors.
2. Be sure that what you decide to do is legal.
3. This bond election will be won on the local level, which means 99 percent of the efforts MUST be made in your own neighborhood.
4. If you have any questions or need additional information, please call or write the SITE campaign headquarters, Box 1997, Raleigh, N. C. 27602 or phone 919-782-4740.

The following is information and recommendations on bond issues as taken from the Local Government Commission handbook on "Issuing School Bonds."

The Local Government Commission

The Local Government Commission operates as a division of the Department of State Treasurer, and the State Treasurer himself is ex-officio chairman of the Commission and Director of Local Government. The Commission's relationship to local government in North Carolina is both supervisory and advisory. Its primary responsibility is to approve or disapprove the issuance of local government bonds and notes, but it also, and increasingly in recent years, acts as financial advisor to local governments.

As a part of its review of a proposed bond issue, the Commission and its staff work with the local government in planning the issue. After an issue has been approved the Commission is responsible for selling the bonds and notes. In addition the Director maintains records of local government debt and informs each unit of the exact amount, time and place of its debt service obligations. The Commission also advises local governments on a broad range of financial matters, including accounting systems and practices, independent audit programs, and investment policies and procedures.

The duties of the Local Government Commission concerning local government debt make it a unique institution among the fifty states. Established in 1931 during the difficulties of the depression, it represented a desire of both local and state officials to improve local government financial practices and management . . .

Article V, section 4, of the Constitution prohibits local governments from contracting debt during a fiscal year to an amount greater than two-thirds of the amount by which the government's outstanding indebtedness was reduced during the last fiscal year, unless the voters approve. For all debt in excess of this two-thirds limitation, voter approval is a constitutional condition of legality. Debt incurred to fund or refund existing debt, to borrow in anticipation of collection of up to 50 percent of currently due taxes, to supply a casual deficit, or to suppress riot and insurrection is excluded from the limit, and the issuance of bonds or notes for these purposes does not require voter approval. The limit also does not apply to revenue bonds, which are not considered constitutional "debt."

Several points should be made about calculating a local government's borrowing capacity under the two-thirds limitation. First, only debt reductions occurring in the most recently completed fiscal year are counted; unused borrowing capacity may not be accumulated. Second, the reduction is that of indebtedness, that is, principal; payments for interest and other debt-related expenses do not count. Third, the limitation is based on net reduction of indebtedness, which is total debt retired less any new debt incurred during the last fiscal year. Fourth, retirement takes place when the debt is actually paid and the bond or note cancelled, not when moneys are placed into a sinking fund or paid to a fiscal agent . . .

In some instances the Commission can secure sufficient information by telephone or letter. More likely, however, an informal conference with the staff of the Commission will be necessary. Representatives of both the school board and the county commissioners should attend this preliminary conference; since the bonds will be issued by the county, the commissioners must be represented.

At the conference the Commission will wish to examine the county's most recent audit. Thus, those attending the conference should be familiar with that audit. Among the questions that the audit will be expected to shed light on are:

a. Has the county followed proper fiscal and accounting procedures?

b. Does the county have an effective tax collection program?

c. Will the proposed issue be within the county's statutory debt limitation?

d. Has the county's debt increased in recent years?

e. What are the county's debt service requirements and what effect will the proposed bond issue have on its tax rate?

f. Can the county support the issue?

The Commission also requires that an architect's report, containing an appraisal of existing facilities and an evaluation of the cost and effect of the proposed project, be brought to the conference.

Finally, the county should bring a complete capital budget for the proposed project.

Following the preliminary conference, the Commission's staff will advise the county on whether or not to proceed. The next step is to engage the services of bond counsel.

Bond Counsel

The investment banking community will not purchase a new issue of local government bonds or trade in outstanding local government bonds unless the bonds are accompanied by the approving legal opinion of recognized bond counsel. This opinion, printed on the back of each bond states that the bonds are valid and binding obligations of the issuer, and that they qualify as tax-exempt securities.

Formerly, bond counsel was employed by the purchasers of bonds after the bonds were authorized and before their sale. It was discovered, however, that mistakes requiring repetition of some of the procedural steps could be avoided by employing bond counsel at the beginning of the procedure rather than submitting for his approval action already taken. Therefore, in current practice, the issuing unit retains bond counsel at the beginning of the procedure and offers the bonds for sale with an approving opinion accompanying delivery. Bond dealers benefit from this arrangement because they are assured that an acceptable opinion approving the validity of the bonds will be available immediately.

Retaining bond counsel with a national reputation in investment banking communities greatly enhances the marketability of bonds.

The bond attorney occupies an unusual position. Although retained by the issuing unit, he represents the investor ultimately purchasing the bonds, as the decision to purchase is made partially in reliance on his legal opinion.

Bond counsel exercises a leading role in the formal stages of authorizing and issuing bonds. He drafts all formal documents for the local governing board and officers and transmits the documents, with explicit directions as to their use, through the county attorney to the appropriate local officials. He examines transcripts of what has been done. He satisfies himself that there is statutory authority for the bond issue, and that the statues does not conflict with the State of Federal Constitutions. He satisfies himself that the interest on the bonds is exempt from state and federal taxation.

The bond counsel will question any irregularity and have it corrected before he renders his opinion on the bonds. In conclusion, he gives his opinion that the bonds are legally binding tax exempt obligations of the issuing unit, thus staking his professional reputation on the regularity of the procedures by which the bonds are issued.

The presence of the county attorney enables the local boards to have someone close at hand capable of handling with a minimum of cost and trouble legal matters that may develop.

As emphasized previously, the approval of the Local Government Commission is necessary before a local government may issue its bonds. The county formally seeks approval for school bonds through an application filed with the Commission for its approval. The application will contain information about the proposed project to be financed by the bonds and about the financial condition of the county. This information allows the Commission to determine the need for the project, the county's fiscal soundness (or lack of it), the county's ability to repay the indebtedness, and the probable marketability of the bonds.

Notice of Intention

If the bond issue must be approved by the voters of the county, the board of county commissioners must, at least ten days before filing application with the Commission, publish twice in a local newspaper notices of its intention to do so. The purpose of this notice is to formally notify the county's citizens of the proposed bond issue, and inform them of their right to file objections to the issue with the Commission. If the bonds are not to be voted on, this notice is not required. The notice is the only procedural difference between issuing voted and non-voted bonds. . .

In reviewing the application, the Local Government Commission may consider:

a. The necessity of the project

The North Carolina Supreme Court has held that the bond order is a "compact" between commissioners and the voters, which may not be materially varied after its passage. The procedures leading to passage of the order begin about the time application is made to the Commission for its approval, and thereafter proceed concurrently with Commission review of the application.

The bond order should be introduced before the board of county commissioners at about the same time that application is formally made to the Local Government Commission. Bond counsel will advise the county as to the exact sequence of events. The order must contain five statements: the purpose of the issue; the maximum principal amount of the issue; the fact that a tax will be levied to retire the bonds; the fact that a sworn statement of debt has been filed with the clerk; and the effective date of the order.

The statements describing the purpose of the issue and the maximum principal amount authorized are quite important. If, after introduction and before passage of the order, the commissioners decide to modify substantially the purpose of the issue or increase its maximum amount, the procedure must be begun again with a new order.

At the meeting at which the bond order is introduced, the board also should set a date for a public hearing on the order.

The Statement of Debt

At the same time the bond order is introduced, an officer designated by the board of commissioners must file with the clerk to the board a sworn statement of county debt for school purposes. The purpose of this statement is to insure that the proposed bond issue will not exceed the statutory debt limitation.

The form and content of the statement is basically simple. The total amount of debt "incurred and to be incurred" for school purposes, including debt authorized but not issued and debt represented by orders introduced but not passed, is set out. This gross debt includes the proposed issue. From gross debt is deducted the amounts of any school sinking funds or school credits and the amount of any unissued school funding or refunding bonds included in gross debt. This leaves net debt, which is compared with the assessed value of property within the county to determine if the proposed issue will cause the county to exceed its statutory debt limitation.

The Net Debt Limitation

Under North Carolina law net county debt for school purposes may not exceed five percent of the assessed valuation of property within the county.

ISSUANCE AND SALE OF THE BONDS

Timing of Issue

Once a bond order has been passed and is effective, the timing of issuance depends primarily on financial considerations. The law does require that the bonds be issued within five years after the effective date of the order, but this period might be extendible by legislation.

The principal determinant of when to issue the bonds should be the cash needs associated with the capital project. Until a substantial portion of the funds are needed, it is often better to rely on short-term financing. Several reasons can be listed in support of such financing:

1. Often cash will be needed before the total cost of the project is known. By using notes, these needs can be met without committing the county to a figure for the full issue.

2. The Federal Tax Reform Act of 1969 provides that in certain circumstances local government bonds are arbitrage bonds and thus fully taxable as to interest. This might occur if the proceeds of these bonds are invested for an extended period.
3. Interest costs may be reduced by issuing bond anticipation notes and selling the bonds at a later date.
4. Market conditions may be currently unfavorable for a bond sale.

As a general rule, the Commission advises that bonds not be sold until after acceptable bids on the construction contracts for the project have been received. At that time the county can fairly accurately estimate the total cost of the project, and can re-evaluate its capital budget for the project.[6]

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[6] "Issuing School Bonds," North Carolina Local Government Commission, 1972, pp. 1,4,9,10-16,20.

PLANNING COMMITTEES

INDIVIDUAL RESPONSIBILITIES OF DIFFERENT GROUPS WITHIN THE INSTITUTION

BOARD OF TRUSTEES

1. Become aware of needs.
2. Be completely committed to securing capital outlay money from a bond issue.
3. Raise money for advertisement and incidental needs from non-tax revenue.
4. Contact architect to up-date language development plan and point out specific development that bond issue money will provide.
5. Delegate president and chairman of Board of Trustees to appoint Steering Committee made up of segment of institution and local community with no more than twelve active members.
6. Board members should have answers on bond issue and be willing to inform people that tend to oppose the issue.
7. Selected board members should serve on speakers' bureau.

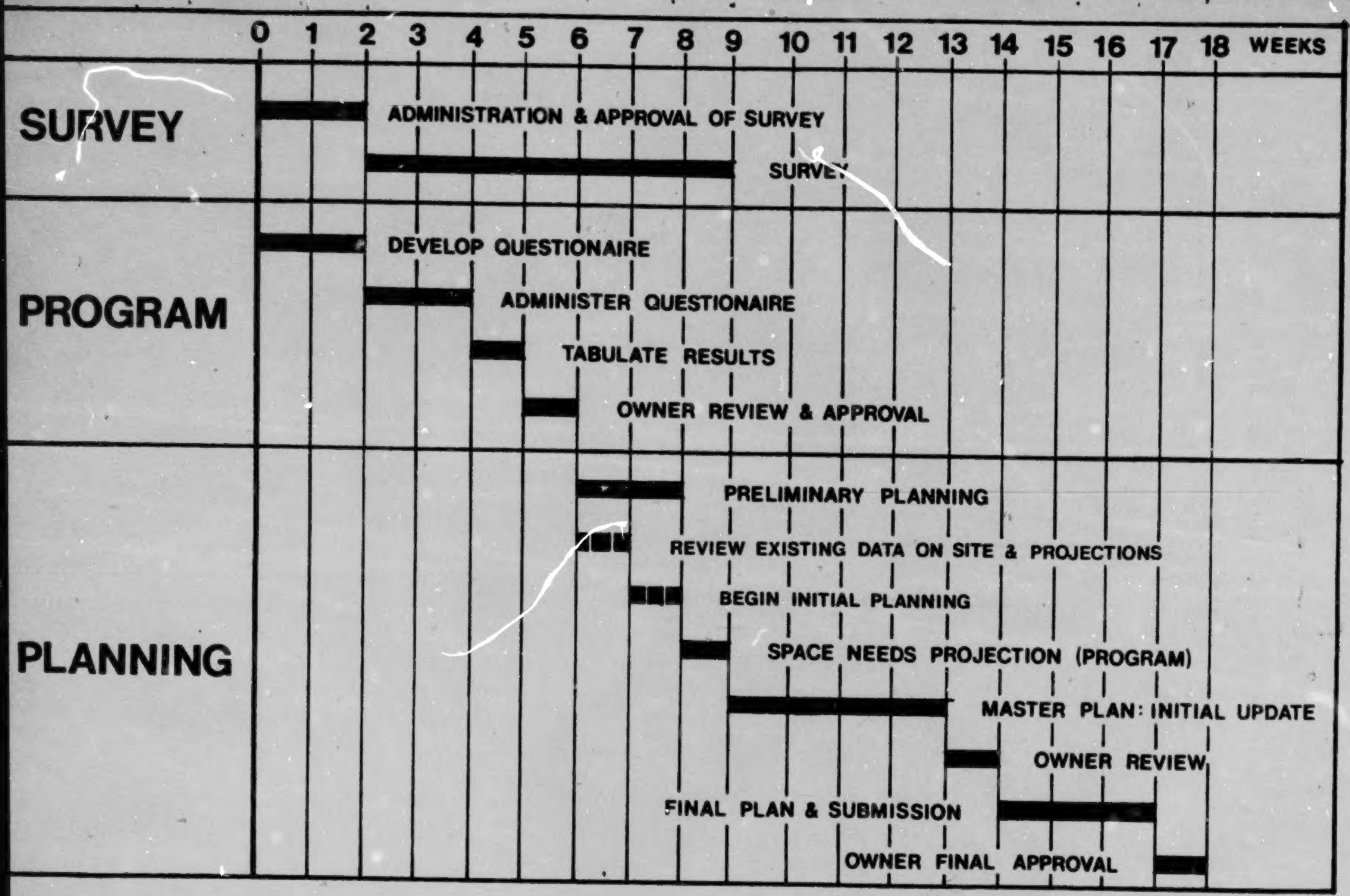
ARCHITECTS

1. Visit board members before board meetings to gather ideas and information on updating language master plan.
2. Talk with administration on overall needs.
3. Meet with board to review past building programs and finalize calendar of coming events.
4. Meet employees of institution to find out their specific needs for the future.
5. Determine projected enrollment based on information from current statistical enrollment figures and anticipated population growth.
6. Apply needs on a square footage basis to determine estimated amount of money needed to build additional facilities. This is done from personal interviews with school individuals responsible for determining future programs and educational needs of adults in Cleveland County.
7. Develop a specific scale model for next building phase.

8. Present model with detailed sketching of future building program to Board of Trustees and staff for their approval.
9. Assist Board of Trustees in explaining expansion program to general public.
10. Estimate time of building program and completion date.
11. Designate overall project foreman to supervise entire building program for architectural firm.

ASSISTANCE BY THE ARCHITECTS

1. Assist the president of the institution in the review and selective evaluation of the program needs in order to build only those facilities which will best serve the needs.
2. Produce useful and efficient buildings which will serve the approved program requirements.
3. Produce designs which will be physically attractive and will in themselves help the staff or the institution to sell the program to the people.
4. Secure the most building for the money and within the budget.
5. Balance first cost with long-term ownership.
6. Deal fairly with all related in the building enterprise.
7. Serve as architects in such a manner as to reflect credit to the institutional Board of Trustees in this important community service.



PLANNING SCHEDULE

STEERING COMMITTEE

1. Master plan for campaign

2. Timetable and appointing of individual members for specific job from beginning of campaign until actual day of election.

3. Set follow-up meeting date with each committee at the first meeting.

4. Assign specific members of the committee to be responsible for securing endorsements for groups such as:

    1. County Commissioners
    2. Churches
    3. Civic Clubs
    4. Black Community
    5. Public Schools
    6. Other Influential Organizations

5. Coordinate all activities from formal announcement of bond issue until votes are counted.

6. Select campaign theme that documents the background relating to the bond issue. The theme should tell the story in human terms. For example: It is better to train an adult to catch his own fish than to catch a fish and give it to him.

PUBLIC RELATIONS OFFICER

1. The press and the general public should be informed of the bond election by the Public Relations Officer in the institution. The information that is released should be cleared by certain members of the Steering Committee and coordinated with the Public Relations Officer. Two members of the Steering Committee should be selected to do the detail work. Graphic Designs and photographs should be used to help the press in telling the story of the needs for the bond election to the general public.

2. Approximately eight weeks will be needed to prepare promotional aids to promote the campaign.

    A. A fact sheet should be developed on questions that the people need to know about the institution such as:

        1. Enrollment of the institution

        2. Cost of the bond issue to the people in taxes

        3. Amount of the bond issue

        4. Date of election

        5. Dates for the general public to visit campus

6. Kind of facilities to be constructed with bond money
7. Architect's schematic drawings
8. Status of indebtedness of the county
9. 100 percent support of Board for issue
10. Involvement of present and future needs of institution - will bond issue be adequate for this need
11. The availability of money to provide annual maintenance support after the completion of the capital campaign

3. Pamphlets and brochures should be developed and sent into each home by students enrolled in the institution and if possible by elementary and high school students if this can be worked out with the school superintendent. These pamphlets should also be used in the house-to-house campaign, and should be brief, but informative, and inexpensive.

4. Press releases are very important and should be handled at the discretion of the Public Relations Officer and the Steering Committee. Don't overwhelm your local newspaper with packaged news reports, particularly if they have assigned reporters to cover the campaign. It may pay off to send one release every other day to weekly papers. These releases should be short and to the point. Radio personnel should be supplied brief, but informative releases, also.

HOUSE-TO-HOUSE COMMITTEE

1. To acquaint possible "yes" voters with the reasons for the bond referendum, and then remind them to vote on election day.

2. A list of families to be visited will be furnished each visitor.

3. A fact sheet will be given to each visitor. Explain why a "yes" vote is important. If anyone has questions that the visitor cannot answer, visitor should contact Steering Committee for correct information.

4. Approximately one week following the initial visit, make another call and give each family a copy of the referendum brochure.

5. If, after the second visit it is felt that the family visited will vote "yes", put their names and phone numbers on a form provided for each campaign house-to-house visitor. Write both the names of husband and wife (Mary Smith, John Smith) because this is the way they are listed in the voter registration books.

6. Do NOT argue with anyone who is positively against the bond issue, leave politely. Don't ask directly, "How are you going to vote?" Many people resent the direct question. Use discretion and find out indirectly how the person feels he or she will vote.

7. On actual day of election if at all possible, remind the people on your list about voting.

CITIZENS' COMMITTEE

1. Composed of broad cross section of county elders.

2. Emphasize important issue of institution.

3. Names of members should be published as well as their responsibilities.

4. Should be well-informed about all aspects of the institution

SPECIAL EMPHASIS COMMITTEE

1. Committee should be made up solely of board members, (probably three members).

2. Contact businesses and industries.

3. Set up machinery for general public to participate.

4. Pay bills approved by committee.

5. Liquidate all bills and obtain any additional funds to pay obligations.

6. Copy of registered voters should be secured for registration purposes.

STUDENT ADVISORY COMMITTEE

1. Offer and sponsor poster contest - "What Cleveland Tech Means to Me."

2. Try to get one letter a week published in the Shelby Daily Star from a graduate of Cleveland Tech showing a success story and telling of the opportunities afforded him from his being a student at Cleveland County Technical Institute.

3. Sponsor an article in the daily paper on each program at Cleveland County Technical Institute, telling what degree the program carries and what can be done with the degree once it is reached.

4. Invite high school students and possibly their parents to visit the campus at Cleveland County Technical Institute.

5. Build up recruitment in the three high schools in the county. Take Cleveland County Technical Institute students along when the schools are visited. Students are the best "sellers."

6. Build up over-all publicity of the school. Make the community aware of what Cleveland County Technical Institute is - use the radio, newspaper, and other media which may be available. (Seek publicity on the softball team, for example.)

7. Ask Cleveland County Technical Institute's Auxiliary to help spread positive information about the institution.

8. Provide transportation to and from the polls as well as offer baby-sitting services.

9. Sponsor a drive to affirm that all students are registered and eligible to vote.

10. Check with registrars at each precinct to make sure that students are registered.

11. Check with registrars at each precinct to make sure that the people in the community are registered. If not, visit those whom you know - neighbors and friends.

12. Work with local radio stations on advertising final registration date for eligibility to vote.

13. Work at polls on election day to make sure all students have voted.

FACULTY COMMITTEE

1. Encourage the students to set up car pools to take people to register and to vote and to have telephone committee call people soliciting their support.

2. Send out letters to all clubs in county for an invitation to attend a club meeting to discuss the bond issue.

3. Request administration to prepare a uniform speech for faculty to deliver to clubs and statistics to use when conversing with anyone.

4. Have flyers printed to distribute.

5. Wear "Vote for CCTI" buttons everyday.

6. Talk to all neighbors about bond referendum.
7. Seek to get all students registered to vote - figure out some sort of reward.
8. Make bulletin boards for every classroom.
9. Give mini-lectures to students repeatedly - a different point each time - prepare a series.
10. Give copies of mini-lectures to all part-time faculty to be used with part-time students.
11. Encourage families of students and staff to support issue.
12. Send letters to all alumni.
13. Send letters to all continuing education instructors.
14. Send letters to all people who have enrolled in continuing education classes or telephone them.
15. Conduct tours of facilities to any group.
16. Make a set of slides that show the problem areas.
17. Send letters to ministers to encourage them to share with congregation the need for new facilities for CCTI.
18. Set up telephone committee.
19. Involve part-time instructors.
20. Contact all town councils within the area.
21. Devise a jingle to encourage everyone to sing.
22. Exhibit an all-out-effort at Arts and Crafts fair.

POSTER AND HANDBILL COMMITTEE

1. This committee should be made up entirely of students.
2. Pass out flyers or handbills.
3. Put up posters.
4. Distribute materials to all beauty shops and barbershops.
5. Obtain relevant mailing list and mail all bulk mail on a

pre-arranged timetable.

6. Mailing list should include:
    1. Graduates of CCTI
    2. All registered voters
    3. Part-time instructors
    4. Out-of-town people
       (Absentee ballots should be sent to this group.)

PERSONAL CONTACT COMMITTEE

1. This committee should be made up of both students and faculty members.

2. Contact all "yes" voters and ignore negative voters if at all possible.

3. Divide county into precincts and assign specific people to work in each area.

4. Have someone at each poll on election day to monitor activities and determine if "yes" voters are voting.

5. Approach people you know and try to influence them to support Cleveland County Technical Institute.

6. Contact all "yes" voters who have not voted as poll watcher checks names off.

7. Cancel all classes on election day.

8. Make sure all faculty wives and husbands are involved on this committee.

9. Visit friends and relatives in community even though they will probably be visited by others serving on different committees.

TELEPHONE COMMITTEE

1. Should be made up of both faculty and students.

2. Use volunteer Women's clubs if available.

3. Make calls to people known to caller, if possible. It is not absolutely necessary to know person to be called but many times calls are accepted on a friendlier basis.

4. Man telephones two weeks before election day.

SPEAKERS' BUREAU

1. Should be selected by Steering Committee, made up of students, staff members, and board members.

2. Canned presentation should be used by all speakers with resource people available to answer questions at end of presentation. Presentation should not be any longer than 20 minutes.

3. Arrange speaking dates and schedules making sure right speaker is assigned to group he or she may identify with.

4. Have some kind of feedback or follow-up speakers.

5. Seek endorsement from group after presentation, if possible.

6. One board member should be present at all presentations.

PUBLICITY COMMITTEE

1. Should be coordinated by public relations officer of the institution and controlled by Steering Committee.

2. Radio spots, newspaper advertisements should be prepared on a pre-arranged timetable.

3. Billboard advertisements should be used when possible.

4. Lapel buttons should be distributed.

5. Window posters should be used where permissible.

6. Get information pertaining to referendum to parents of school children in cooperation with public schools.

7. Advertise how and when absentee ballots are obtained.

A SUMMARY CONCLUSION OF COMMITTEES

1. Copy of registered voters should be secured from registration office.

2. Mail personal letters to all presently enrolled as students, as well as other special interest groups, explaining the facts relating to the bond issue and ask them to support the bond issue.

3. Hold faculty and staff meetings and assign definite responsibilities for each group. A wholehearted support of faculty and staff is essential.

4. Hold meetings with student body and get a committment from them on voter registration drive. Students should primarily be responsible in getting the YES vote to the polls on election day.

5. Faculty and staff should be responsible for telephone campaign.

6. Personal contact should be maintained with local news media from the campaign beginning until election day.

7. Area churches should be contacted and asked to support the bond issue.

8. Endorsement from local civic clubs is helpful but not essential.

9. Board of Trustees should be responsible for financial contributions to support bond campaign, making sure no tax money is used for the purpose.

10. Prior to end of campaign a certificate of appreciation should be prepared and readied for distribution after the election day to all groups who actively support the issue.

List of References

Hirsch, Harvey D. "How To Evaluate Your Referendum Planning," School Management, Vol. 89, No. 2, February, 1972.

Issuing School Bonds, North Carolina Local Government Commission, North Carolina: Raleigh, 1972.

Public School Laws of North Carolina 1974, issued by the State Board of Education. Virginia: Charlottesville, The Miche Company, 1974.

Official Minutes of The Board of Trustees, Book I, Cleveland County Technical Institute, Shelby, North Carolina, January 31, 1969.

GENERAL INSTRUCTIONS FOR FILING APPLICATION FOR APPROVAL OF ISSUANCE OF GENERAL OBLIGATION BONDS

Local Government Commission
325 N. Salisbury Street
Raleigh, N.C.

Telephone: 919-829-3064

EXHIBIT A

LOCAL GOVERNMENT COMMISSION
325 N. Salisbury Street
Raleigh, N. C.

Telephone 919-829-3064

GENERAL INSTRUCTIONS FOR FILING APPLICATION FOR APPROVAL OF ISSUANCE OF GENERAL OBLIGATION BONDS

ENCLOSURES

LGC-107	List of Documents to be filed with the Local Government Commission
LGC-108	Application for Approval of Issuance of General Obligation Bonds
LGC-108A	Selected Fiscal Information as Certified by the Finance Officer
LGC-108B	Capital Budget and related information
LGC-108C	Projection of Water and Sewer Net Revenues (included only if proposed bonds are for water or sewer purposes).
LGC-108D	Projection of Enterprise Net Revenue (included only if proposed bonds are for enterprises other than water and sewer).
LGC-109	Sworn Statement of Debt.

GENERAL

The Local Government Bond Act (Article 4 of Chapter 159 of the General Statutes) states those purposes for which general obligation bonds may be issued and sets forth procedures to be followed in authorizing and issuing bonds. Employment of bond counsel is necessary so that bonds or bond anticipation notes can be marketed. Bond Counsel will provide drafts of the various notices, bond order and other proceedings, and furnish a calendar to be followed throughout all the proceedings. The list of documents to be filed with the Local Government Commission (LGC-107) sets forth the principal steps to be taken in authorizing and issuing bonds and can be used in developing a calendar in conjunction with bond counsel.

APPLICATION

The "Application for Approval of the Issuance of General Obligation Bonds" must be filed with and accepted for submission to the Local Government Commission prior to or at the same time the bond order is introduced by the governing body. If voter approval of the bonds is required, ten days must elapse after publication of the Notice of Intent to file an application before the Commission may acknowledge filing of the application. In evidence of the publication of Notice of Intent, a publisher's affidavit with clipping is required. Only one copy of the application and its attachments is required to be filed with the Commission.

PRE-FILING OR PRELIMINARY CONFERENCE

The Secretary of the Commission may require the governing body or its representative to attend a preliminary conference to consider the proposed bond issue. This is not necessary in all cases; however, before any of the proceedings are begun or the application filed, a determination should be made as to whether a conference is required. A conference is oftentimes useful to both the unit of government and the Commission to resolve questions that might arise at a later date which might delay or prevent the authorization or sale of the bonds.

RESOLUTION OF GOVERNING BODY

The governing body should adopt a resolution making necessary findings relating to proposed bonds, authorizing filing of the application with the Commission and designating authorized representative. This resolution is not required by the Local Government Bond Act and such resolution draft will not be furnished by the unit's bond counsel. While not required, the Commission feels that filing of the application should take place as a result of deliberation and action of the governing body. The resolution will supplement the application in making findings relating to the proposed bonds and in designating the unit's representative to File the application and to be the Commission's contact throughout authorization and sale procedures.

The resolution should:

1. Describe the undertaking for which bonds are proposed.
2. State facts why the project is necessary and expedient.
3. State facts why the amount of bonds proposed is adequate and not excessive for the proposed purpose.
4. State facts supporting a conclusion that the debt management policies have been carried out in strict compliance with the law or reasonable assurances have been given that debt management will henceforth be carried out.
5. State facts supporting a conclusion that the budgetary and fiscal management policies have been carried out in compliance with the law or reasonable assurances that the budgetary and fiscal management will henceforth be carried out.
6. State estimated increase in property tax to raise the estimated increase in debt service requirements and that such increase is not excessive.
7. State estimated increase in consumer rates to raise the estimated increase in debt service requirements if the proposed bonds are for utility or other enterprise purposes and that such increase is not excessive.
8. Designate a representative of the unit to file the application for approval of bonds with the Local Government Commission.
9. Authorize the representative or the unit's attorney to employ bond counsel to represent the unit in the authorization and issuance of bonds.

AUTHORIZED REPRESENTATIVE

The authorized representative of the unit should be the person charged with the responsibility of filing the application for approval of the bonds on behalf of the governing body and whom the Local Government Commission will contact with regard to any problems arising during authorization and sale of the bonds. The acknowledgement of filing of the application and approval or disapproval of the application by the Commission will be addressed to the authorized representative and upon whose authority the Commission will rely in initiating sale of bonds or bond anticipation notes after the bonds are authorized. The authorized representative need not be the unit's attorney. Should the attorney and the authorized representative be different individuals, a coordination of activities should be established between the two to assure timely action on necessary proceedings.

SWORN STATEMENT OF DEBT

A sworn statement of debt by the Finance Officer or other designated officer is required after introduction of the bond order and before the public hearing. The attached form LGC–109 may be used for this purpose; however, if bond counsel provides a draft of the statement, it should be used in lieu of the form.

RESOURCE PERSONS

1. Legal questions: Unit's attorney and/or bond counsel. Routing questions relating to administrative or procedural questions may in some instances be answered by the Local Government Commission Staff, or, if nonroutine, we will obtain an answer from bond counsel.
2. Bond Authorization and feasibility questions until the bonds are fully authorized - Edwin Barnes, Deputy Secretary.
3. Bond and Note Sales and Deliveries after bonds are fully authorized - John M. Barnes, Deputy Secretary.

A more detailed explanation of considerations and procedures in authorizing and issuing general obligation bonds is being drafted and should be available by the end of 1974.

Harlan E. Boyles, Secretary
Local Government Commission

Form LGC 107

55

Department of the Treasurer
Local Government Commission

LIST OF DOCUMENTS TO BE FILED WITH LOCAL GOVERNMENT COMMISSION - G. O. BONDS

DATE ____________________

UNIT: ____________________

PROPOSED GENERAL OBLIGATION BONDS

Purpose	Amount
Total	$

The following is a list of major steps necessary for counties and municipalities to authorize general obligation bonds. It does not purport to include all the documents required by Bond Counsel or to be all inclusive for districts or special types of financing. All documents and publisher's affidavits should contain an original signature of the certifying agent.

Calendar and list of documents to be finalized following direction and advice of Bond Counsel

DATES

Tentative Calendar	Action Taken	Filed LGC

AUTHORIZATION

(* Indicates requirement when bonds are to be voted)

1. RESOLUTION(S) of County Board of Education and/or Boards of Trustees of City Administrative Unit(s) petitioning Board of County Commissioners to issue bonds. Required only when bonds are for school purposes not including refunding or funding of school debt. Should be passed prior to (or same day as) publication of Notice of Intention. Furnish certified copy. (G.S. 115-129)

2. *NOTICE OF INTENTION - Required only when bonds are to be approved by the voters and is to be published once not less than 10 days prior to filing application. Furnish publisher's affidavit with clipping attached. (G. S. 159-50)

3. APPLICATION requesting approval of proposed bonds on forms furnished by the Commission. The application may be received by the Commission and held in escrow prior to the expiration of the 10-day period after publication of the Notice of Intention, in which case the application will be acknowledged as filed and accepted for submission to the Commission at the expiration of the 10-day period. (G.S. 159-51 and 54)

4. BOND ORDER (S) as introduced before governing board. The bond order (s) may be introduced after or at the same time the application is filed and accepted for submission to the Commission.

5. SWORN STATEMENT OF DEBT to be filed with clerk to the board after introduction of bond order(s) and before public hearing. Furnish certified copy. (G.S. 159-55)

6. PUBLICATION OF BOND ORDER (S) AND NOTICE OF HEARING. To be published at least six days prior to public hearing. Furnish publisher's affidavit with clipping attached. (G. S. 159-56 and 57)

7. PUBLIC HEARING AND FINAL PASSAGE OF BOND ORDER (S). Furnish certified extracts of minutes of governing body relating to public hearing and final passage of bond order. (G. S. 159-57)

8. *RESOLUTION CALLING A REFRERENDUM for approval of bonds. Furnish certified extracts of minutes of governing board relating to the resolution. (G. S. 159-61)

9. PUBLICATION OF BOND ORDER (S) as finally passed. Publish once and furnish publisher's affidavit with clipping attached. (G. S. 159-58)

10. *NOTICE OF REFERENDUM - Publish at least twice on dates established in consultation with bond counsel. First publication shall not be less than 14 days and the second not less than 7 days before last day on which voters may register for referendum. Furnish publisher's affidavit with clipping attached. (G. S. 159-61)

Calendar and list of documents to be filed with Local Government Commission - G. O. Bonds (continued)

Tentative Calendar	Action Taken	Filed LGC	
		N-R	11. *ABSENTEE BALLOTS - must be made available 60 days prior to bond referendum (Counties only). (G. S. 163-227)
		N-R	12. *REGISTRATION - last day of registration is the 21st day, excluding Saturdays and Sundays, preceding bond referendum. (G. S. 163-67)
			13. SPECIMEN BALLOT - Furnish one certified copy of ballot.
		N-R	14. REFERENDUM - Must be held within one year after final passage of bond order. (G. S. 159-61)
		N-R	15 *REFERENDUM - Resolution or certificate of Board of Elections canvassing and declaring results of referendum. Furnish certified extracts of minutes relating to resolution. (G. S. 159-61)
			16. *REFERENDUM RESULTS - Resolution of governing board certifying and declaring results of referendum. Furnish certified extracts of minutes relating to resolution. (G.S. 159-61)
			17. *PUBLICATION OF REFERENDUM RESULTS - Publish once. Furnish publisher's affidavit with clipping attached. (G. S. 159-61)

BOND AND NOTE SALE

Indicate date of sale, amount, and if for bonds (B) or notes (N)

a ____________________ b ________________ c ________________ d ________________

$ ____________________ $ ________________ $ ________________ $ ________________

Dates filed with LGC

a	b	c	d

1. BOND (OR NOTE) RESOLUTION providing for the issuance of bonds (notes). Furnish certified extracts of minutes of governing board relating to resolution. (G. S. 159-65 and 164
2. NOTICE OF SALE to be published at least once five days prior to the date of sale of bonds. Furnish publisher's affidavit with clipping attached. (G. S. 159-124)

LGC-108
Rev. 5-74

LOCAL GOVERNMENT COMMISSION
325 North Salisbury Street, Raleigh, North Carolina 27611
Telephone 919–829-3064

APPLICATION FOR APPROVAL OF THE ISSUANCE OF GENERAL OBLIGATION BONDS

(Article 4, General Statutes Chapter 159)

Unit ______________________________

Note: Application must be filed and accepted prior to introduction of bond order. If voter approval is required, publisher's affidavit of Notice of Intent must be filed before application may be acknowledged.

1. List below the purpose and amount of bonds. Complete Budget and Related Information for each purpose. (LGC - 108B)

a. ______________________________ $ __________
b. ______________________________ __________
c. ______________________________ __________
d. ______________________________ __________
e. ______________________________ __________
f. ______________________________ __________

Total . . . . $ __________

2. The following are furnished in support of application:

☐ Certified copy of resolution of governing body making necessary findings relating to proposed bonds, authorizing filing of application and designating authorized representative.

☐ Publisher's Affidavit of Notice of Intent if voter approval required (copy not acceptable).

☐ Selected Fiscal Information as certified by finance officer (LGC - 108A).

☐ Capital budget and related information (LGC - 108B for each purpose listed in item 1.)

☐ Projection of water and sewer net revenues, (LGC - 108C); To be filed only if proposed bonds are for water and/or sewer purposes.

☐ Projection of enterprise net revenues (other than water or sewer) LGC-108D; To be filed only if proposed bonds are for electric, gas, parking or other purposes.

☐ Preliminary copy of sworn statement of debt (LGC-109).

☐ Other. Specify ______________________________

3. Attorney ______________________________

Address ______________________________ Telephone __________

4. Bond Counsel ______________________________

Complete page 2 of this application and the attachments before signing certification

CERTIFICATION This application and attachments are true and correct to the best of my knowledge.	Signature of authorized representative	Date
	Title	Telephone

5. If voter approval is required for proposed bonds, give tentative date of referendum ______________________________.

6. If voter approval is not required and bonds are not for funding or refunding outstanding bonds, furnish the following information:

a. Outstanding debt at 6-30 _______ (beginning of previous fiscal year) . . . . $____________________

b. Outstanding debt at 6-30 _______ (end of previous fiscal year) . . . . ____________________

c. Prior year's reduction of debt (line a less line b) . . . . ____________________

d. Less: new debt incurred during current fiscal year . . . . ____________________

e. Net reduction of debt (line c less line d) . . . . ____________________

f. Maximum non-voted bonds (2/3 of line e) . . . . ____________________

7. Net debt ratio as preliminarily determined _________%. (Sworn Statement of Debt LGC -109)

a. If percentage is in excess of 8%, has an order to exceed limitation been issued by the Board of Water and Air Resources? ________ (Yes; No). If yes, date of order ________________________ [G. S. 159-55 (c)].

b. If percentage is in excess of 8%, has water and sewer revenue been adequate to pay all water and sewer operating, capital outlay and debt service for past 3 fiscal years? _________(Yes; No). If yes, is certification needed to permit deduction for sewer debt? ________(Yes; No). [G. S. 159-55 (b)].

8. Has any formal oppositon to proposed bonds been asserted?_________(Yes; No). If yes, furnish details of opposition. _______

____

____

____

9. Does unit propose bonds (other than in this application) for any purpose in the near future?________(Yes; No). If yes, furnish details. ____

____

____

____

____

LGC-108A

LOCAL GOVERNMENT COMMISSION
325 North Salisbury Street, Raleigh, North Carolina 27611

SELECTED FISCAL INFORMATION AS CERTIFIED BY FINANCE OFFICER

Unit ____________________

1. Ad Valorem Tax (for three immediate past fiscal years):

Fiscal Year	Assessed Valuation	Assessment Ratio	Tax Rate	Levy	Uncollected At last June 30	Percentage Uncollected
______	$ ______	______ %	$ ______	$ ______	$ ______	______ %
______	______	______	______	______	______	______
______	______	______	______	______	______	______

2. Ad valorem Tax (current fiscal year):

Assessed Valuation	$ ______	Tax rate – General Fund	$ ______
Total Levy	______	– Debt Service	______
Uncollected At ______	______	– Other funds	______
Percentage Uncollected	______ %	– Total	$ ______

3. For past 5 years, has there been a delay in payment or non-payment of matured bonds and coupons when presented to unit's fiscal agent? ______ (Yes; No). If yes, explain circumstance on separate statement.

4. Information relating to compliance with Local Government Budget and Fiscal Control Act:

	Yes	No
A. Budgetary Requirements:		
(1) Are separate accounting funds maintained for:		
(a) Debt Service	______	______
(b) Water and Sewer	______	______
(c) Each other utility	______	______
(d) For other funds required by G. S. 159-13 (special levy, school, etc.)? . .	______	______
(2) Is a balanced budget adopted for each fund?	______	______
(3) Did the budget provide for all deficits, if any, as shown in the audit reports for the next prior year?	______	______
(4) Were all contingency appropriations less than 5% of other appropriations in fund?	______	______
(5) Do the ledgers clearly show the estimated revenue and appropriations in the original budget?	______	______

4. Information relating to compliance with Local Government Budget and Fiscal Control Act (continued)

		Yes	No
(A)	Budgetary Requirements (continued)		
(6)	Is budget in balance after any amendments?		
(7)	Are all budget amendments posted to accounting records?		
(B)	Purchasing and Contracts:		
(1)	Are purchase orders issued for all commitments over a minimum amount?		
(2)	Do all purchase orders show a certificate by the finance officer of sufficient unencumbered appropriation?		
(3)	Are all purchase orders posted to appropriate expenditure accounts as encumbrances?		
(C)	Cash:		
(1)	Are receipts deposited intact to account of finance officer daily?		
(2)	Are all deposits secured as required by LGC regulations?		
(3)	Have all investments of idle cash been made in C. D.'s, time deposits, U. S. Government or agency's securities, N. C. state or local obligation, or savings and loan shares of less than $20,000?		
(D)	Other		
(1)	Are taxes distributed to proper funds at least monthly?		
(2)	Have you included herewith a description of any material instance of misfeasance or malfeasance, if any, which could affect the credit of the unit?		

5. If any answer to question in item 4 above is answered no, furnish explanation.

I certify the above is correct to the best of my knowledge.	Finance Officer's signature	Date

LGC 108B

LOCAL GOVERNMENT COMMISSION
325 North Salisbury Street, Raleigh, North Carolina 27611

CAPITAL BUDGET AND RELATED INFORMATION

Unit ______________________________ Date ______________

Note: A separate Form LGC 108B is required for each bond purpose listed on application.

1. Bond designation ______________________________ Amount ______________

2. Purpose: (Describe in general terms nature of capital outlay) ______________________________

3. Necessity: (Describe in general terms why improvements are needed; Include copy of preliminary engineering report or other documents upon which applicant is relying.) ______________________________

4. Consulting Engineer or Architect ______________________________

5. If costs were not the result of consultant's study, give basis of estimates ______________________________

6. Capital budget - based on estimates determined as of ______________________________

Estimated Cost		Funding Sources	
Construction Cost	$	Available Cash	$
Eng. or Arch. Fees		Future Appropriations. . .	
Land and Rt.-of-way. . .		Grants (indicate source) . .	
Legal and Fiscal		. . . .	
Administrative		. . . .	
Capitalized Interest . . .		. . . .	
Contingency		Bonds	
. . . .		Other	
Total		Total	

7. If proposed bonds are greater or less than the amount of bonds reflected in item 6 of this schedule, give explanation __________

8. Indicate status of grants anticipated in item 6? __________

9. Has a Federal loan been applied for or committed? __________ (Yes; No). If yes, give name of agency, amount and status, and furnish copy of commitment. __________

10. Does project require approval of either Federal or State regulatory agency? __________ (Yes; No). If yes, give name of agency and status of approval. __________

11. Indicate estimated date project will be acquired or contract let __________ or if more than one project, indicate project, estimated cost and date for each. __________

12. Estimated increase in debt service tax by reason of proposed bonds $__________. If no increase is anticipated, explain __________

13. Estimated increase in annual operating cost, for other than enterprises, by reason of proposed capital improvements. $__________. Indicate how increase in operating cost will be met. __________

LGC - 108C

LOCAL GOVERNMENT COMMISSION
325 North Salisbury Street, Raleigh, North Carolina 27611

PROJECTION OF WATER AND SEWER NET REVENUES

Unit ______________________________ Date ______________

NOTE: Complete only if proposed bonds are for water or sewer facilities. Where separate accounting funds are maintained for each system, one must be completed for proposed water bonds and one for proposed sewer bonds. Otherwise water and sewer operation may be consolidated when either or both water and sewer bonds are proposed.

REVENUE	Actual Revenue for Last Complete Fiscal Year	Estimated Increase or (Decrease)		Estimated Revenue for first Fiscal Year after completion of Project
		Due to Normal Growth and Rate Changes	Due to expanded System	
Water - Charges				
- Connections				
- Assessments				
- Other revenue				
Total water revenue				
Sewer - Charges				
- Connections				
- Assessments				
- Other revenue				
Total sewer revenue				
Total revenue				

EXPENSES (If water and sewer expense cannot be separated, consolidate under water)	Actual Revenue for Last Complete Fiscal Year	Estimated Increase or (Decrease)		Estimated Expenses for first Fiscal Year after completion of Project
Water		Due to Normal Growth and Inflation	Due to expanded System	
Administration - Salaries				
- Other				
Operations - Salaries				
- Mat. and supplies				
- Maintenance				
- Water purchases				
- Power				
- Other				
Total water expenses				

Projection of water and sewer operation (continued)

EXPENSES Sewer	Actual expenses for last complete Fiscal Year	Estimated Increase or (Decrease)		Estimated expenses for first Fiscal Year after completion of Project
		Due to Normal Growth and Inflation	Due to expanded system	
Administration - Salaries				
- Other				
Operations - Salaries				
- Mat. and Supplies				
- Maintenance				
- Treatment Cont.				
- Power				
- Other				
Total sewer expenses				
Total water and sewer expenses				

NET REVENUES	Actual for last complete Fiscal Year	Estimated for first Fiscal Year after completion of Project
Net water and sewer revenue		
Ad Valorem tax support		
Transfer from other funds		
Total net revenue		

APPLICATION OF NET REVENUES	Actual for last complete Fiscal Year	Estimated for first Fiscal Year after completion of Project
Debt service - Water and Sewer		
Capital outlay		
Capital reserve fund		
Transfer to other funds		
Undesignated		
Total application		

Note: Attach explanation if net revenues do not equal total application.

LGC-108D

LOCAL GOVERNMENT COMMISSION
325 North Salisbury Street, Raleigh, North Carolina 27611

PROJECTION OF ENTERPRISE NET REVENUES

Unit ______________________________ Date ______________

NOTE: Complete when bonds are proposed for electric, gas, parking, hospital and other enterprise purposes. Use form LGC 108C when bonds are proposed for water and sewer purposes.

REVENUE (Indicate nature)	Actual Revenue for last complete Fiscal Year	Estimated Increase or (Decrease)		Estimated Revenue for first Fiscal Year after completion of Project
		Due to normal growth and rate changes	Due to expanded system	
. . . .				
. . . .				
. . . .				
. . . .				
. . . .				
Total revenue				

EXPENSES (Indicate nature)	Actual expense for last complete Fiscal Year	Estimated Increase or (Decrease)		Estimated expenses for first Fiscal Year after completion of Project
		Due to Normal growth and inflation	Due to expanded system	
. . . .				
. . . .				
. . . .				
. . . .				
. . . .				
. . . .				
. . . .				
. . . .				
. . . .				
Total expenses				

NET REVENUES	Actual for last complete Fiscal Year	Estimated for first Fiscal Year after completion of Project
Net revenues		
Ad Valorem tax support		
Transfer from other funds		
Total net revenues		

APPLICATION OF NET REVENUES	Actual for last complete Fiscal Year	Estimated for first Fiscal Year after completion of Project
Debt service		
Capital outlay		
Capital reserve fund		
Transfer to other funds		
Undesignated		
Total application		

SWORN STATEMENT OF DEBT

Made pursuant to the Local Government Bond Act, as Amended,

For ______________________________, North Carolina

I, ______________________________ (Name), ______________________________ (Office) of the

______________________________, North Carolina, having been desig-

nated by the ______________________________ (Governing Body) for said ______________________________ (City/Town/County)

to make and to file with the Clerk to the governing body a statement of debt of said ____________________ (City/Town/County)

pursuant to the Local Government Bond Act, as amended, DO HEREBY CERTIFY that the following is a true statement as shown by the books in my office, not taking into consideration any debt incurred or to be incurred in anticipation of bonds other than funding and refunding bonds.

A. Gross Debt as listed in the attached "Schedule of Gross Debt", $ ____________________

B. Deductions to be made from Gross Debt as listed in the attached "Schedule of Deductions". $ ____________________

C. Net Debt being the difference between Gross Debt and Deductions. $ ____________________

D. Appraised Value of property subject to taxation before the application of any assessment ratio, being the value from which the assessed value was last fixed for taxation as revealed by the County tax records and certified by the County Tax Supervisor. $ ____________________

E. Percentage that Net Debt bears to the appraised value of property subject to taxation. $ ____________________

______________________________ (Signature) ____________________ (Date)

SWORN STATEMENT OF DEBT (continued)

For ____________________________, North Carolina

SCHEDULE OF GROSS DEBT

(The debt described below should not include debt incurred or to be incurred in anticipation of the collection of taxes or other revenues or in anticipation of the sale of bonds other than funding and refunding bonds. The debt described below should not include revenue bonds.)

A. Outstanding debt evidenced by bonds:

Purpose	Amount		
Water			
Electric			
Gas			
Sanitary Sewer			
Other	________	Total	$ ________

B. Bonds authorized by orders introduced but not yet adopted:

Date Introduced	Purpose	Amount		
		________	Total	$ ________

C. Unissued bonds authorized by adopted orders:

Date Introduced	Purpose	Amount		
		________	Total	$ ________

D. Outstanding debt not evidenced by bonds:

Date Incurred	Purpose	Amount		
		________	Total	$ ________
				$ ________

SWORN STATEMENT OF DEBT (continued)

For ______________________________, North Carolina

SCHEDULE OF DEDUCTIONS

A.	Funding and refunding bonds authorized by orders introduced but not yet adopted.	$ __________
B.	Funding and refunding bonds authorized but not issued.	$ __________
C.	Amount held in sinking funds or otherwise for the payment of gross debt other than debt incurred for water, gas, electric light or power purposes or sanitary sewer purposes (to the extent deductible under Section 159-55 [b] of The Local Government Finance Act), or two or more of these purposes.	$ __________
D.	Bonded debt included in gross debt and incurred or to be incurred for water, gas or electric light or power purposes, or any two or more of these purposes.	$ __________
E.	Bonded debt included in gross debt and incurred or to be incurred for sanitary sewer system purposes (to the extent deductible by subsection [b] of Section 159-55 of The Local Government Finance Act).	$ __________
F.	Uncollected special assessments levied for local improvements for which gross debt (that is not otherwise deducted) was or is to be incurred, to the extent it will be applied, when collected, to the payment of such gross debt.	$ __________
G.	Estimate of special assessments to be levied for local improvements for which any part of gross debt (that is not otherwise deducted) was or is to be incurred, to the extent that the special assessments when collected, will be applied to the payment of any part of gross debt.	$ __________
	Total	$ __________

LGC-109

UNIVERSITY OF CALIF.
LOS ANGELES

MAR 3 1978

CLEARINGHOUSE FOR
JUNIOR COLLEGES

SWORN STATEMENT OF DEBT (continued)

STATE OF NORTH CAROLINA)
) ss.:
COUNTY OF ______________)

____, being duly sworn, says that he is the

______________________________ of the ____________________ of ____________________

in the State of North Carolina; that by a bond order introduced by the ______________________________

of said ______________________________ he was authorized to make the foregoing statement; and that the foregoing statement is true and was made and subscribed by him.

____

Sworn to and subscribed before me
on the day of the date of said statement

____
(Notary Public)

My commission expires the ____________________ day of ____________________, 19 ______.

STATE OF NORTH CAROLINA)
) ss.:
COUNTY OF ______________)

I, the undersigned ______________________________ of the ____________________

of ______________________________ in the State of North Carolina, DO HEREBY CERTIFY that the foregoing statement and accompanying affidavit were filed in my office on the ____________________

day of ______________________________, 19 ________.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said County, this ______________

day of ______________________________, 19 ______.

____